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BUREAU OF INDIAN AFFAIRS WASHINGTON, D.C. 20245

For Release January 13, 1982

Lovett (202) 343-7445

INTERIOR INDIAN OFFICIAL TALKS BUSINESS WITH INDIAN CONTRACTORS

The United States' top Indian official, Interior Assistant Secretary Ken Smith, told 350 Indian businessmen January 13 that Indian reservations need businesses that are "competent and competitive and are going to endure to provide jobs and services for the community . . . because they earn the money they make and they also earn respect."

Smith, addressing the Minority Business Contractors Association of North Dakota, stressed the importance to reservation communities of "well managed, soundly established Indian enterprises." He said the reservations do not need more government-funded make-work jobs.

A Wasco Indian who ran the very successful tribal enterprises of the Warm Springs Reservation in Oregon before coming to Washington, D.C., last year, Smith has consistently told Indian groups they must be less dependent on the Federal government. "We should use and develop our own resources, break our addiction to easy-come, easy-go Federal money and achieve real economic independence," Smith told the Indian contractors.

Smith said that he was seeking to establish a \$10 million fund to be used to help tribes plan and carry out development ventures with private capital and in joint ventures with private industry. He said his plan would "provide Indians with up-front expert examination of ventures before capital is put at risk." He said the Indians need to build a record of successes to bring back to "OMB and Congress if we hope to get additional funding of this kind."

The Department of the Interior, Smith said, would continue to support and implement the provisions of the Indian preference policy and the Buy Indian Act, which permit the non-competitive awarding of government contracts to Indian firms. He added, however, that these laws "can never be an excuse for inferior or non-competitive performance."

Smith said the Indian businessmen had a special value and importance in the Indian community. "Though you are bearing the risks and the burdens as individuals, your success brings benefits to the whole Indian community.' Members of the North Dakota Minority Contractors Association, he said, did more than \$70 million in business in the past year.

Smith's itinerary included a visit to the Devils Lake Sioux Manufacturing Company on the Fort Totten Reservation in North Dakota and meetings at Aberdeen, South Dakota and Minneapolis, Minnesota, with Bureau of Indian Affairs area officials and with tribal leaders.



BIA

OFFICE OF THE SECRETARY

For Release January 21, 1982

Ed Essertier (202) 343-3171

SECRETARY WATT OVERHAULS MINERAL ROYALTIES MANAGEMENT SYSTEM

Interior Secretary James Watt today announced a major overhaul of the Interior Department's decades-old system for collecting mineral royalties, to assure recovery of an estimated \$200 to \$500 million a year in oil and gas royalties believed unreported on Federal and Indian leases.

Watt's decisions, requiring realigned management, tighter internal controls, more site inspectors, improved auditing, additional penalties, and greater cooperation with States and Indian tribes, were adopted to implement 60 recommendations of the Commission on Fiscal Accountability of the Nation's Energy Resources. Watt appointed the Commission last July to look into waste and fraud in the royalty program, which now provides approximately \$5 billion a year for the Federal Treasury, mineral producing States and Indian tribes. Projections indicate that royalty collections will top \$14 billion a year by 1990.

"I have directed the Department to move aggressively to achieve or exceed the goals of the Commission's recommendations," the Secretary said. "Orders were issued earlier this week and implementation is now under way."

The Secretary noted that studies conducted by the General Accounting Office, the Congress, State governments and the Indian communities dating back to 1959 revealed serious allegations of waste, fraud and mismanagement in the royalty collection program.

"Nevertheless," he said, "I discovered on coming to the Department that very little had been done to resolve these problems. Today, to accomplish President Reagan's goals of eliminating government waste while stimulating domestic energy production, we must and will assure that we receive full value from the sale of the public's oil, gas and other mineral resources.

"I have focused major attention of this Department upon the royalty management program involving the States and Indian tribes. Our efforts have renewed interest in the importance of the collection process but a comprehensive review such as that conducted by the Commission was vital," said Watt.

To provide improved management of the royalty system by increased Secretarial responsibility, Watt announced creation of a Minerals Management Service. The U.S. Geological Survey's Conservation Division, will be reporting to a three-man Minerals Management Board directly responsible to the Secretary. The executive group chaired by Under Secretary Donald Paul Hodel will include Assistant Secretaries J. Robinson West (Policy, Budget and Administration) and Daniel Miller (Energy and Minerals).

(more)

"The new agency will have ready access to the Secretary and will require a high level of involvement and direction," Watt said. "The transfer of functions governing the administration of mineral leases away from the Geological Survey should strengthen that agency. Relieved of its regulatory duties, the Survey will be better able to carry out its prime responsibilities for scientific research and for gathering, analyzing and disseminating scientific information about the Nation's resources."

Watt credited the Commission's six-month investigation, headed by David F. Linowes and including a panel of four nationally recognized fiscal, legal and scientific authorities, with having pinpointed major long-standing deficiencies in the royalty management process.

The Minerals Management Service, through new regulations, will require improved security on about 46,500 wells on 17,600 Federal leases. Operators will be required to develop site security plans and will face stiff penalties for violations. Federal monitoring will be intensified. States and tribes will be urged to cooperate in augmenting the work of an expanded inspection team.

"I am implementing a policy whereby we will enter into cooperative agreements with the States and tribes to augment much of the enforcement work now performed by the Geological Survey," Watt said.

Watt agreed with a Commission proposal to create a Legislative Task Force which will develop an omnibus royalty management bill to be forwarded to Congress. The task force, to be headed by Theodore J. Garrish, Legislative Counsel to the Secretary, will consider legislative changes required to make States and Indian tribes equal partners in the collection program. Proposed also are penalties up to \$10,000 a day for security and reporting violations, creation of a self-sustaining royalty management fund, adoption of a reward incentive plan for encouraging reports on fraud or mismanagement, and other improvements.

The Secretary also announced his intention to name an Advisory Commission composed of Federal, State and Indian representatives, to assist in implementing the Commission's recommendations and in improving the levels of cooperation among the various governments. The Linowes Commission had strongly urged creation of such a group.

The Secretary said a proposal by the Linowes Commission to raise the onshore minimum royalty rate from its present 12 1/2 percent to 16 2/3 percent (the current rate on most offshore and recent Indian leases) merits further study, which he ordered be conducted and completed by April 1.

The Department's Office of Inspector General was requested by Watt to report on a Commission recommendation to determine whether minerals sales could and should be traced beyond the first purchaser. The Commission had made that recommendation as a means by which the Department could independently verify information from producers, royalty payers and first purchasers.

(more)

The Commission recommended that Interior conduct intensive "lookback audits" regarding the sufficiency of past royalty payments of the top 25 royalty payers. The Secretary reaffirmed his commitment to such audits and agreed that an analysis of "lookbacks" into the payments of two major producers, now under way, will guide the Department in deciding which additional lookbacks will be worthwhile and to speed their completion.

The USGS, meanwhile, has instituted major changes in auditing procedures as a result of its own investigations of irregularities, as well as a review by the Secretary early in 1981. The agency recently awarded contracts totaling \$12.4 million for work over a multi-year period to support a more automated accounting system.

Growing problems in the system, spotlighted by earlier investigations and brought into focus by oil price increases, led Watt last February to advise governors of oil-producing States that he planned to modernize the royalty collection system.

In appointing the Commission in July, he urged it to use its independent authority to probe waste and fraud, asking that it report its findings directly to him within six months. The Commission conducted five hearings in Washington, New York and Denver, listening to scores of witnesses, while visiting a number of oil and gas lease sites in the Western States. The Commission maintained coordination with the President's Council on Integrity and Efficiency, and the Office of Management and Budget.

Besides Linowes, an international authority in management, the Commission members are Elmer B. Staats, former comptroller general of the United States; Michel T. Halbouty, renowed earth scientist and engineer; Charles J. Mankin, State Geologist of Oklahoma; and Mary Gardiner Jones, attorney and consumer affairs specialist.

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OFFICE OF THE SECRETARY

For Release January 21, 1982

Ed Essertier (202) 343-3171

MINERALS MANAGEMENT SERVICE TO PLAY KEY ROLE IN CURBING ROYALTY THEFTS

The Minerals Management Service, created today by Interior Secretary James Watt to ensure the proper and full collection of royalties from Federal and Indian leases, will place renewed emphasis upon efforts to stem royalty fraud and theft in a system producing \$5 billion in annual collections.

The basis of the new Service is the Conservation Division of the U.S. Geological Survey, which is being reassigned to report directly to the Under Secretary and an executive group within the Office of the Secretary.

"This elevated status," Watt said, "indicates the high level of involvement" intended for the Service as it further tightens inspections, site security, and auditing and accounting procedures governing more than 44,000 oil and gas wells on nearly 17,000 leases spread across 27 States.

Enforcement of the 60 recommendations of the Commission on Fiscal Accountability of the Nation's Energy Resources and approved by Watt will be a major responsibility of the new agency. The Commission, appointed by Watt in July 1981 and headed by David F. Linowes, suggested major changes in royalty accounting to cope with increasing demands for oil and an expanded domestic drilling program.

Current Interior Department projections indicate that royalty collections could rise from their present \$5 billion a year level to \$14 billion a year by 1990. A significant portion of that money is returned to the States of origin and to the Indian tribes where leases are located.

"Moving the Conservation Division out of the USGS will preserve and enhance the Survey's international reputation and scientific excellence as well as its role as the Federal Government's prime earth science agency," Secretary Watt said.

"With the reassignment of the Survey's regulatory activities, it can focus on broad objectives including scientific research on geology, topography, land, water and power studies, and dissemination of scientific data," Watt said.

Cooperative agreements with jurisdictions which benefit from the royalty money are high on the list of changes called for by Secretary Watt as he adopted the Linowes Commission recommendations. States now receive half of the royalties from Federal leases within their borders (except for the State of Alaska, which receives nine-tenths of the Federal royalties), and Indian tribes receive all of the royalties on tribal leases.

(MORE)

Watt's creation of a legislative Task Force to develop an omnibus royalty management bill indicates his intention of expanding the sanctions available to the Minerals Management Service for cracking down on royalty offenders, as well as other legislative improvements. Watt will seek as well authority to create a self sustaining fund from royalties for royalty management. Watt has asked that the legislative proposal include a bounty system, or reward incentive plan, by which individuals could be paid for furnishing information about fraudulent or wasteful practices in the royalty collection system.

Watt's creation of a legislative Task Force to develop an omnibus royalty management bill indicates his intention of expanding the sanctions available to the Minerals Management Service for cracking down on royalty offenders, as well as other legislative improvements. Watt will seek as well authority to create a self sustaining fund from royalties for royalty management. Watt has asked that the legislative proposal include a bounty system, or reward incentive plan, by which individuals could be paid for furnishing information about fraudulent or wasteful practices in the royalty collection system.

Creation of the new agency culminated a series of actions which Watt began shortly after taking office a year ago. Last February the Secretary met with the governors of western oil-producing States and asked for their help in curbing potential losses of royalty. He noted that investigations by the General Accounting Office, the Congress, the States and Indian tribes back to 1959 had had little effect on the problem, which has worsened during recent years as the prices for oil shot up.

When Watt appointed the Commission on Fiscal Accountability last July, he offered it all the resources of his own office, as well as opening the way for coordination with President Reagan's Council on Integrity and Efficiency and the Office of Management and Budget, to seek solutions for fraud and theft in the royalty system. He said the Commission report would have first priority in seeking to avert a financial scandal among the onshore Federal and Indian leases.

"The American people deserve full payment for the sale of the public resources, and I intend to see that they get it," Watt said in appointing the Commission.

Reconstituting the Conservation Division into the Minerals Management Service will permit the remainder of the USGS to concentrate on other problems of national magnitude, Watt said. These include finding new resources of strategic minerals and energy, understanding acid rain, dealing with radioactive waste, and better preparing for geologic hazards, from mudslides to earthquakes.

"We also expect the Survey to accelerate the Department's National Mapping Program and to build the new National Digital Cartographic Data Base that will support the activities of nearly every governmental agency in the country," he said, adding:

(MORE)

"The Survey will be able to place more emphasis on developing better assesments of the mineral and energy resources potential on the public lands, both onshore and offshore. A good leasing program is still dependent on good earth science, and we will continue to expect the Survey to provide that base."

Secretary Watt noted that during the past century the Geological Survey has been known as the mother of bureaus spinning off numerous functions to form new bureaus within the Department of the Interior including the Bureau of Reclamation, the Bureau of Mines, and elements of the Bureau of Land Management.

"I am excited by today's action to create the Minerals Management Service because it will allow the Geological Survey to concentrate more fully on its scientific mission, and I and the Department will be able to rely more upon the organization and its director, Dr. Dallas Peck, as our principal advisor on scientific matters," Watt added.

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BUREAU OF INDIAN AFFAIRS

For Release January 22, 1982

Lovett 202/343-7445

EARL BARLOW APPOINTED BIA AREA DIRECTOR IN MINNEAPOLIS

Earl J. Barlow, Director of the Bureau of Indian Affairs' Office of
Indian Education Programs since 1978, has been appointed Director of the
BIA's Minneapolis Area Office, Interior Assistant Secretary for Indian
Affairs Ken Smith announced today. His appointment is effective March 7, 1982.

Barlow, a Blackfeet Indian, is a member of the Federal government's Senior Executive Service

Smith said that Barlow had led the Indian education office through an important transition period following the enactment of the Education Amendments Act of 1978. The Act mandated major changes in the Bureau's education organization and the transfer of basic responsibility for the schools to local Indian communities. "The flexibility of the Senior Executive Service," Smith said, "allows us to transfer out top officials as we think necessary to best achieve our goals. I think a new appointee brings new vitality to a job. I believe that good executives welcome new challenges."

John Fritz, a Minneapolis resident until his appointment this past December as Deputy Assistant Secretary in charge of BIA operations, will be Barlow's immediate supervisor.

The Minneapolis Area Director is responsible for BIA activities in Minnesota, Wisconsin, Michigan and Iowa. The position has been vacant since last May.

Barlow, 54, was Superintendent of Schools in Browning, Montana, from 1973 to 1978. He had also served as the Montana State Supervisor of Indian Education and had worked for 30 years as a teacher, principal and education program administrator.

Barlow graduated from the University of Montana with a degree in social studies and then earned a Master's in education from that University.

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OFFICE OF THE SECRETARY

For Release January 28, 1982

SECRETARY WATT NAMES ACTING HEAD OF NEW MINERALS MANAGEMENT SERVICE

Secretary Watt announced today that William "Perry" Pendley will be the Acting Director of the new Minerals Management Service in the Department of the Interior. Pendley will retain his current position as Deputy Assistant Secretary for Energy and Minerals, but in the days to come while the search for a permanent Director is underway, his prime responsibility will be the administration of the Minerals Management Service

"I have full confidence that Perry will provide the strong leadership needed to transfer the functions of the Conservation Division into the Minerals Management Service and to ensure that the goals of the Linowes Commission are not only achieved, but exceeded," Watt said.

As Acting Director of the Minerals Management Service, Pendley will report directly to a four-man Minerals Management Board made up of the Under Secretary, the Assistant Secretary for Policy, Budget and Administration, the Assistant Secretary for Indian Affairs and the Assistant Secretary for Energy and Minerals. This reorganization and restructuring will ensure that the royalty collection functions within the Department receive high priority and Secretarial level attention, Watt said.

Pendley came to Interior after nearly five years on Capitol Hill, first as Legislative Assistant to former U.S. Senator Clifford P. Hansen of Wyoming, and then as Minority Counsel to the Mines and Mining Subcommittee of the House Interior and Insular Affairs Committee.

Last year, President Reagan appointed Pendley as a member of his Strategic Minerals Task Force responsible for submitting to the President recommendations for achieving a national strategic minerals policy.

A native and legal resident of Wyoming, Pendley was born in Cheyenne April 3, 1945. He holds a Juris Doctor degree from the University of Wyoming's College of Law, and Bachelor and Master of Arts degrees in public affairs from George Washington University, Washington, D.C.

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BUREAU OF INDIAN AFFAIRS WASHINGTON, D.C. 20245

BUREAU OF INDIAN AFFAIRS For Release February 8, 1982

Lovett 202/343-7445

BIA OFFICIAL WILL NEGOTIATE TRANSFER OF SCHOOLS TO STATE SYSTEM

Interior's Deputy Assistant Secretary for Indian Affairs, Roy H. Sampsel, will begin negotiations February 10 with Alaskan state officials in Juneau for the transfer of 37 Bureau of Indian Affairs schools to the state education system.

In addition to the 37 elementary schools located in Alaska Native villages, the Bureau now operates one boarding high school, Mt. Edgecumbe, at Sitka, Alaska It is expected that Mt. Edgecumbe would continue operation at least through the 1982-83 school year to allow the state to develop suitable alternative plans for the high school students.

"The Bureau of Indian Affairs' schools for the Alaska Natives were established to meet needs until the state was able to assume the responsibility," Sampsel said. He noted that the Alaska Constitution requires the state to "maintain a system of public schools open to all children of the state."

Sampsel said that the BIA and the state formalized an agreement in 1963 for the transfer of Bureau schools to state administration. There were at one time as many as 120 BIA schools in Alaska. Transfers have occurred intermittently since 1963.

Topics for discussion with state school officials and representatives of the Governor's office, Sampsel said, would include the transfer of BIA school buildings to the state, personnel issues, scheduling, and the possible need for special legislative authority.

Sampsel and BIA education officials initiated discussions with state officials on the transfer of BIA schools this past fall. At that time BIA representatives visited 36 of the 37 villages to talk with Native leaders about the proposed transfers. The one village was missed because of bad weather.

Sampsel acknowledged that reduction in the BIA's education budget made further delays in the transfer of the schools undesirable. "We have to make substantial reductions, so it seems reasonable -- and beneficial to the state school system and the Native children -- to simply complete the transfer."

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BUREAU OF INDIAN AFFAIRS WASHINGTON, D.C. 20245

BUREAU OF INDIAN AFFAIRS
For Release February 8, 1982

Lovett 202/343-7445

BUREAU OF INDIAN AFFAIRS' 1983 APPROPRIATION REQUEST IS \$1.05 BILLION

The proposed budget for the Bureau of Indian Affairs for fiscal year 1983 requests appropriations of \$1.05 billion for the operation of Indian programs and construction projects

The appropriation request for the operation of Indian programs exceeds 1982 funding by \$40 million.

Programs receiving increases include school operations, plus \$3.7 million; social services, plus \$8.3 million; self determination services, \$7.6 million; business enterprise development, \$7.9 million, and natural resources development, \$9.5 million.

There is an increase of \$12.7 million for the construction of buildings and utilities and a decrease of \$3.6 million for road construction.

The budget also calls for a general overhead cost reduction of \$16 million. Interior Assistant Secretary Ken Smith said that consolidating area offices would be one of the administrative actions taken to cut overhead costs. Smith said that the development of communications and the widespread use of computers "greatly reduced the need for regional offices geographically close to the groups they serve."

The 1983 budget plan also calls for the closing of elementary boarding schools at Concho, Oklahoma and Wahpeton, North Dakota and the post-secondary vocational training school, Southwest Indian Polytechnic Institute at Albuquerque, New Mexico. The Bureau will also be transferring village day schools in Araska to the state system.

Funds requested for new initiatives include \$5 million to help small tribes acquire and maintain basic management capabilities and \$10 million for tribes starting economic development ventures. The funds would assist the tribes with "seed money" aimed at encouraging private sector investment and sound business principles in the tribal programs.

Indian Education: \$256.7 million is requested for BIA Indian education programs. This consists of \$179.8 million for school operations; \$26 million for Johnson-O'Malley programs; \$30.1 million for college student assistance grants; \$4 million for adult education; \$10.4 million for tribally controlled community colleges and \$6.4 million for the operation of the Haskell Indian Junior College at Lawrence, Kansas and the Institute of American Indian Arts at Santa Fe, New Mexico.

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The budget request also includes \$51.1 million for the proposed transfer of the Title IV program from the Department of Education. Funds in the amount of \$838,000 were also requested to supervise the spendout of prior year obligated balances for a Department of Education Indian school construction program.

Indian Services: The \$98.7 million requested for social services includes \$7.7 million for carrying out provisions of the Indian Child Welfare Act. The \$56.9 million for self determination services provides \$30.3 million to cover tribal overhead costs associated with Pl. L. 93-638 contracts and \$19.4 million for grants to tribal governments.

Construction: The \$60.1 million requested for construction of buildings and utilities include \$15 million for first phase construction of Hopi High School in Arizona and \$45.1 million for facilities improvements and repairs.

The \$45.9 million for irrigation construction includes \$29.8 million for the legislatively mandated Ak Chin, Arizona project (to be made available upon enactment of authorizing legislation.) There is also \$1 million for a Fallon, Nevada project and \$2.6 million for the Grass Rope Project in South Dakota.

A line item breakdown of the budget request, with the 1982 funding figures follows:



BUREAU OF INDIAN AFFAIRS F.Y. 1983 BUDGET REQUEST (IN THOUSAND DOLLARS)

| | FY 1982* | FY 1983 |
|---|--|--|
| School Operations | 176,106 25,954 52,446 254,506 | 179,841 25,954 50,877 256,672 |
| Tribal Government Services Social Services Law Enforcement Housing Self Determination Services Navajo-Hopi Settlement Program INDIAN SERVICES | 23,789 90,351 32,515 29,810 49,222 4,178 229,865 | 26,339 98,664 36,041 23,289 56,882 3,899 245,114 |
| Employment Development Business Enterprise Development Road Maintenance ECONOMIC DEVELOPMENT AND EMPLOYMENT PROGRAMS | 27,120 8,136 17,628 52,884 | 28,410 16,046 <u>22,117</u> 66,573 |
| Forestry and Agriculture | 71,165 13,578 84,743 | 70,989 16,214 87,203 |
| Indian Rights Protection | 18,516 27,350 45,866 | 18,248 28,957 47,205 |
| FACILITIES MANAGEMENT Management and Administration Employee Compensation Payments Program Management GENERAL ADMINISTRATION | 83,380 ====== 49,465 4,161 4,350 57,976 | 93,381 ====== 56,698 4,582 8,691 69,102 |
| GENERAL COST REDUCTION (Overhead) | -0- ====== | -16,000 |
| OPERATION OF INDIAN PROGRAMS (Total) | 809,220 ===== | 849,250 ===== |
| INDIAN EDUCATION ASSISTANCE (Total) | 71,597 ** | 51,119 |
| Irrigation Systems | 46,192 47,436 -0- 93,628 | 45,900*** 60,100 -0- 106,000 |
| IMPACT AID: SCHOOL CONST. AFFCTG. IND. LANDS (Total) | 9,000** | 838 ====== |
| ROAD CONSTRUCTION (Total) | 47,160 ===== | 43 , 585 |
| TOTAL FEDERAL FUNDING | 1,030,605 | 1,050,792 |

^{*1982} figures include actual appropriations and pending supplemental request.

^{**}Programs included in the Department of Education in FY 1982, including recission proposed in FY 1982.

^{***}Includes Ak Chin Irrigation Project proposed for later transmittal.



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For Release Noon, EST, February 8, 1982. All material in this release is embargoed until that time.

INTERIOR BUDGET CALLS FOR INCREASED FUNDING OF NATIONAL PARKS, WESTERN WATER, MINERALS DEVELOPMENT;

ECONOMIES REQUESTED IN MANY OTHER ACTIVITIES

The Interior Department is requesting budget increases for fiscal 1983 to continue construction of essential water projects in the West, upgrade deteriorated facilities at national parks, and improve access to energy and other minerals on multiple-use Federal lands, Secretary of the Interior James Watt said today.

Another significant budget initiative is increased grants to States for surface mining regulation and abandoned mine land restoration, the Secretary said.

At the same time, Interior is asking Congress for less spending on other ongoing programs in keeping with the overall austerity of President Reagan's FY 1983 budget. Thus, the sums requested for a majority of Interior agencies register a decrease from the funding voted them by Congress for the current fiscal year.

Interior's 1983 budget requests total \$6,024,618,000 (excluding activities expected to be transferred from the Departments of Energy and Education under reorganization plans soon to be proposed). This is a net increase of about \$293 million over the comparable FY 1982 budget level of \$5,731,974,000.

"Some otherwise desirable programs will have to make do with less money until the national economy is on firmer footing," Secretary Watt said. "We have instituted tighter management controls across the board to make the best use of the limited funding available. Of the activities recommended for increases, several promise to increase jobs and prosperity, reduce our energy and mineral dependence on foreign sources, and return more money to the Treasury; others represent better stewardship of federally-owned lands and resources, notably in our national parks; and still others demonstrate our commitment to Interior's responsibilities toward Indian tribes.

(more)

"The fact that we are able to request relatively modest increases for FY'83 reflects the success of our deep budget cutting during FY'81 and '82," the Secretary said. "Still, that certainly does not mean that the cost squeeze is ended. We will keep our commitments to essential activities by exerting constant heavy downward pressure on nonessential costs, continually making reductions wherever possible."

Interior estimates that it will receive about \$20.5 billion in receipts in FY 1983. This is almost double the level expected in FY 1982. The increased FY 1983 receipts include \$18 billion projected to come from revenues from oil and gas leases on the Outer Continental Shelf.

One potential source of additional revenues is the new Minerals Management Service (MMS), which will seek greatly improved collection of royalties from mineral leases on Federal and Indian lands. The Minerals Management Service has assumed responsibility for supervision of mineral leases from the former Conservation Division of the U.S. Geological Survey, from which it was formed by order of the Secretary on January 19. It is budgeted initially for \$128.5 million—including an increase of \$6.4 million targeted for improved royalty management systems. (Details may be found under the Geological Survey heading in the Department's detailed budget documents.) MMS will receive priority consideration for necessary added funding in the months ahead.

Highlights of the new budget requests include:

---\$191 million to continue Secretary Watt's national park restoration and improvement program (PRIP) to correct major deficiencies in park facilities and address serious resource preservation problems. Watt initially asked for a \$105 million increase in FY 82 over the \$87.3 million requested by the previous Administration. If Congress votes the full \$191 million for PRIP for FY 83, it will augment the NPS efforts to restore and improve the parks during fiscal 1983.

The fiscal 1983 total proposed for restoration and improvement, including base funding, provides \$67 million for small scale maintenance, rehabilitation, and historic preservation projects; \$124 million is earmarked for major capital improvements involving 46 projects in 40 parks. These projects include the rehabilitation of water and sewer systems, the reconstruction of unsafe roads and bridges, fire and safety improvements in public facilities, and the preservation of important historic structures.

---\$24.6 million in operating increases for park areas to restore programs curtailed over the years due to inflationary pressures on park budgets--programs ranging from routine and special maintenance to law enforcement and including scientific research to improve park resource protection, better evaluation of concessions management, and interpretive activities to enhance park visitors' understanding of park values. New parkland acquisition would be severely limited, however, in line with the Watt policy of emphasizing better stewardship of lands already owned.

---\$118 million more than in FY 82 for the construction program of the Bureau of Reclamation in the 17 contiguous Western States for work on 70 projects, including new rehabilitation and betterment work on four projects, and to conduct pre-construction work on two projects. The largest of the works under way include the Central Arizona Project; Bonneville Unit of the Central Utah Project; Central Valley Project, California; Colorado River Basin Salinity Control Projects; Columbia Basin Project, Washington; and McGee Creek Project, Oklahoma. A \$17 million increase is proposed for continuation of 10 loan projects; and 13 new investigations would be undertaken emphasizing energy production, municipal and industrial water supplies, and Indian water development; plus 11 new advance planning studies, proposed in a manner intended to shorten considerably the time needed to prepare a project for construction.

---Watt said the President's 1983 budget includes a contingency allowance for initial work on new Bureau of Reclamation construction starts-as yet undesignated--which will meet the Administration's criteria for cost sharing and non-Federal financing. The new starts will be selected from among projects authorized but never funded, after the Administration adopts new guidelines defining cost sharing and related criteria.

---Funds requested for the Office of Surface Mining would change only slightly from FY 82 levels overall, but significant changes would take place in how the money is allocated. Grants to States would rise to \$111.9 million, one-third more than in FY 82, as the States achieve primacy for their regulatory and mined land reclamation programs, as provided in the 1977 Surface Mining Act. These increases would be offset by reductions in the funding for direct Federal programs. OSM's total budget for FY 83 is \$159.8 million, down slightly from the \$160.6 million appropriated for FY 82.

---A \$4.2 million increase for the Bureau of Land Management (BLM) to accelerate its Outer Continental Shelf leasing program; plus a \$4.1 million increase to help BLM prepare for more onshore oil and gas leasing; and a nearly \$1 million increase for oil shale leasing and steps toward a 1984 tar sand leasing program.

--U.S. Geological Survey is earmarked for a \$21.1 million total increase above FY 82, largely for such programs as mineral resource surveys, applied and basic geological research, oil and gas and coal resource information, water resource investigations (principally for acid rain and toxic wastes), and the operation and maintenance of the Barrow, Alaska gas fields. The \$21.1 million includes the \$6.4 million increase mentioned previously for improved royalty management in the new Minerals Management Service, formerly USGS' Conservation Division.

---National wildlife refuges, national fish hatcheries, and wildlife research facilities would receive a \$10.2 million increase for minor rehabilitation and increased cyclical maintenance. Major rehabilitation would be increased by \$6 million.

---The appropriation request for Indian Affairs exceeds 1982 funding by \$88.6 million, after excluding programs to be transferred from the Department of Education. The request reflects a net increase of \$47 million for operations over the FY 1982 level of \$802 million. This net increase includes \$2.2 million for eduction; \$15.2 million for services such as welfare payments, law enforcement, housing and similar programs and also including \$5 million for a new initiative intended to improve the management capability of small tribes; \$13.7 million for economic development and employment including \$10 million for a new economic development initiative; \$9.5 million for natural resources development; \$1.3 million for the Federal Government's trust responsibilities; \$10 million for facilities maintenance; \$11.1 million for general administration; and a decrease of \$16 million for overhead. Another increase is in facility construction (+\$12.4 million). Road construction decreases by \$3.6 million. Indian trust funds are increased by \$32.8 million to a total of \$601 million.

---Operating budgets for the U.S. territories and the Trust Territory of the Pacific Islands will be slightly higher than in FY 82, although the total amount requested for Territorial and International Affairs will show a \$30 million decline; most of the reductions actually represent non-recurring expenditures for capital improvements such as completion of a hospital in the Virgin Islands, which is receiving \$21.5 million in FY 1982, and a number of projects in Guam, American Samoa and the Trust Territory. However, sums are included for FY 83 for territorial development projects including the first phases of a hospital for the Northern Marianas (\$4 million) and capitals for the emerging governments of Micronesia (\$7.8 million).

---Bureau of Mines Minerals Resources Technology research on strategic and critical materials is increased in FY 1983 by \$2.6 million even though the Bureau's overall research program is significantly reduced.

Reductions requested from FY 1982 appropriations include:

---National Park Service: Land acquisition, a new request of \$59.8 million, providing funds for deficiency awards, emergency acquisitions and overhead costs; Urban Park and Recreation Rehabilitation grants, zero-budgeted for 1983 compared with a \$7.7 million appropriation in FY 82; historic preservation grants to States and to National Trust for Historic Preservation, zero-budgeted compared with \$25.4 million current level.

---U.S. Geological Survey: Program reductions include earthquake and volcano hazards investigation down by \$4.6 million; uranium and thorium energy investigations down by \$4.7 million; geothermal investigations down by \$1.9 million; oil shale investigations down \$1.5 million; and Federal coal drilling down by \$3.0 million.

---Office of Water Research and Technology: Down \$10.6 million. The programs are proposed for termination.

- ---Payments in Lieu of Taxes by BLM to local governments: Down \$56.3 million to a new total of \$45 million, with legislative changes proposed for later tramsmittal to Congress. The reduction includes \$5.8 million for National Wildlife Refuge lands.
- ---U.S. Fish and Wildlife Service: \$14.9 million less for land acquisition; \$4.4 million cut by discontinuing cooperative research units; a reduction of \$2.8 million for other research, and animal damage control reduced \$1.7 million. Thirty-one fish hatcheries would be transferred to States or closed down for a \$3.7 million saving--but none of the 31 would be hatcheries that primarily produce for anadromous or Great Lakes fisheries, or for Federal mitigation or endangered species restoration.
- ---BLM range management: Down \$4.4 million, partly by transferring some maintenance costs to range users. Forest management also would be trimmed by \$2.1 million by curtailing activities in marginal timber-growing areas outside the highly productive western Oregon timber lands. Rangeland improvements financed from 50% of grazing fee receipts will drop \$2.2 million because grazing fees for 1982 have been reduced pursuant to the statutory formula, largely reflecting recent declines in livestock prices paid to ranchers.
- ---The FY 1983 budget for the Bureau of Mines is reduced by \$25.9 million. Approximately \$4.0 million of this decrease is attributable to one-time funding that was in the Bureau's FY 1982 budget for construction of facilities. Another \$9.2 million results from the Department's decision to discontinue funding of Mineral Institutes in FY 1983. Funding for the Bureau's mineral information program is reduced by \$2.5 million. The remaining budget reductions are achieved through curtailment of Bureau research and development projects. In general, federally funded research and development by the Bureau would be limited to high-risk projects with long-term payoff.

The President's Budget for Interior includes some programs proposed to be transferred from the Departments of Energy and Education. The Energy programs are the Strategic Petroleum Reserve, the Naval Petroleum and Oil Shale Reserves, and the five power marketing administrations, with total FY 1983 budget requests of approximately \$1.2 billion, an increase of \$258 million over the FY 1982 estimated level of \$930 million. The Education programs, which are included with the Department's Bureau of Indian Affairs budget request, are the Indian Education Assistance Program and Impact Aid for Indian school construction, with a combined FY 1983 budget request of \$52 million, a decrease of \$29 million from the estimated FY 1982 President's budget request.

 $x \quad x \quad x$

DEPARTMENT OF ... INTERIOR

Budget Authority and Outlays

(in thousands of dollars)

| | Budget Authority | | Outlays | | | |
|---------------------------------------|------------------|------------------------|-----------|------------|----------------------|-----------|
| | 1981 | 1982 | 1983 | 1981 | 1982 | 1983 |
| Bureaus/Offices | Actual | Estimate | Estimate | Actual | Estimate | Estimate |
| LAND AND WATER RESOURCES | | | | | | |
| Bureau of Land Management | 1,035,414 | 1,139,082 | 1,256,330 | 1,031,890 | 1,118,221 | 1,230,089 |
| Bureau of Reclamation | 795,149 | 771,213 | 950,320 | 773,026 | 843,123 | 946,150 |
| Office of Water Research & Technology | 27,330 | 10,636 | | 33,082 | 25,986 | 4,635 |
| Total, Land & Water Resources | 1,857,893 | 1,920,931 | 2,206,650 | 1,837,998 | 1,987,330 | 2,180,874 |
| FISH AND WILDLIFE AND PARKS | | | | | | |
| Fish and Wildlife Service | 427,552 | 419,755 | 416,103 | 466,170 | 409,942 | 386,323 |
| National Park Service | 857,780 | 753,319 | 736,278 | 1,173,155 | 1,220,510 | 990,167 |
| Total, Fish and Wildlife and Parks | 1,285,332 | 1,173,074 | 1,152,381 | 1,639,325 | 1,630,452 | 1,376,490 |
| ENERGY AND MINERALS | | | | | | |
| Geological Survey | 623,059 | 496,741 | 517,850 | 609,501 | 572,711 | 519,905 |
| Bureau of Mines | 143,011 | 151,402 | 125,476 | 159,067 | 153,301 | 136,100 |
| Office of Surface Mining | 177,964 | 160,597 | 159,822 | 131,151 | 136,966 | 146,348 |
| Total, Energy and Minerals | 944,034 | 808,740 | 803,148 | 899,719 | 862,978 | 802,353 |
| Bureau of Indian Affairs | 1,776,501 | 1,511,408 | 1,600,035 | 1,468,639 | 1,364,458 | 1,424,309 |
| Territorial & International Affairs | 238,803 | 241,749 | 187,776 | 310,047 | 246,039 | 223,055 |
| Office of the Solicitor | 17,908 | 17,600 | 19,071 | 17,359 | 17,071 | 18,498 |
| Office of the Secretary | 85,016 | 58,472 | 55,557 | 77,254 | 59,901 | 57,422 |
| Subtotal, Department of the Interior | 6,205,487 | 5,731,974 ^a | 6,024,618 | 6,250,341 | 6,168,229 <u>a</u> / | 6,083,001 |
| Department of Education Transfer | 104,545 | 80,597 | 51,957 | 66,589 | 96,876 | 86,433 |
| Department of Energy Transfer | 3,726,837 | 930,088 | 1,188,090 | 4,136,196 | 717,809 | 1,094,986 |
| TOTAL, DEPARTMENT OF THE INTERIOR | 10,036,869 | 6,742,659 | 7,264,665 | 10,453,126 | 6,982,914 | 7,264,420 |

a/ FY 1982 Budget Authority excludes \$71 million for proposed FY 1982 fire suppression supplementals and \$30 million in Contract Authority - Land and Water Conservation Fund. Outlays have been adjusted accordingly.

Office of Budget February 3, 1982 9

PRESS CONTACTS FOR FURTHER INFORMATION REGARDING INTERIOR'S FY 1983 BUDGET (Area codes need not be used from Washington, D.C., unless indicated below)

| AGENCY | NAMES OF CONTACTS | OFFICE PHONE | HOME PHONE |
|--|-------------------|----------------|------------|
| Office of Budget, Department of the Interior | Joe Gorrell | 343-5308 | 548-4867 |
| | Stan Doremus | 343-4965 | 356-2535 |
| | Austin Burke | 343-8077 | 437-5022 |
| | Waite Waller | 343-4211 | 654-8082 |
| National Park Service | Duncan Morrow | 343-6843 | 321-7128 |
| | George Berklacy | 343-6843 | 250-6503 |
| Bureau of Reclamation | Jess Pepple | 343-4268 | 860-2530 |
| | Paul Hauffe | 343-8411 | 281-3238 |
| Geological Survey | Donovan Kelly | 860-7444 (703) | 338-4044 |
| | Bette Goodrich | 860-7712 | 860-1431 |
| Fish and Wildlife | Adam Sokoloski | 343-4328 | 356-4514 |
| Service | Inez Connor | 343-5634 | 474-4608 |
| Office of Surface | Roger Cotting | | 587-3952 |
| Mining | Margaret Mueller | | 997-1694 |
| Bureau of Indian | Tom Stangl | 343-6342 | 437-6148 |
| Affairs | Carl Shaw | 343-6031 | 546-6107 |
| Bureau of Land | Tim Monroe | 343-9435 | 451-5731 |
| Management | Roger Hildebeidel | 343-3516 | 354-2683 |
| Bureau of Mines | Bob Swenarton | 634-1001 | 946-3491 |
| | Charles Lanman | 634-1005 | 966-2335 |
| Office of Territorial | Dale Fazio | 343-6971 (301) | 956-2436 |
| Affairs | David Gessner | 343-6971 | 882-7537 |
| Office of the Secretary | Terry Garrett | 343-5027 | 698-7838 |



BUREAU OF INDIAN AFFAIRS For Release February 19, 1982

Shaw 202/343-6031

INTERIOR ANNOUNCES CHANGES IN BIA ORGANIZATION

Interior Assistant Secretary Ken Smith today announced a major realignment of the Bureau of Indian Affairs' administrative structure. The changes, he said, will improve management efficiency, reduce personnel in central and area offices by 20 percent and reduce overhead costs by \$16 million in fiscal year 1983.

Smith said the administrative cuts, coupled with an increase of \$55 million in the Bureau of Indian Affairs' 1983 budget request, will result in increased funding of programs at the reservation level.

In the reorganization, the present 12 area offices will be replaced with six regional service centers. The Bureau's education office will be streamlined and the size of the central office reduced.

Smith said the six regional service centers will be at Albuquerque, New Mexico; Minneapolis, Minnesota; Oklahoma City, Oklahoma; Phoenix, Arizona; Portland, Oregon, and Rapid City, South Dakota. Smith added that plans for the immediate future also include a field office at Juneau, Alaska to serve the Alaska Natives and a Navajo Nation Service Center at Window Rock, Arizona.

In the realignment of the Bureau's education office, there will be regional field offices at Minneapolis, Oklahoma City, Phoenix and Portland. Each of these offices will be headed by an assistant education director with line authority and responsibility for education activities in his region. This plan complies with the mandates of Public Law 95-561, which stresses local community control of Indian schools under professional educators.

In the central office the education office will be consolidated into two divisions.

Smith said, "Indian leaders have repeatedly asked me to protect the funding for their reservation programs and to take needed budget cuts in administrative overhead. This is our response."

There will be continued discussion and consultation with tribal leaders, union officials and others in the implementation of the realignment, Smith said. He and other departmental officials this week briefed Indian leaders, Members of Congress, BIA field officials and employee union officials on the basic elements of the realignment.

Smith said the changes will cut red tape and costs and definitely improve the Bureau's management of Indian programs."

Further information about changes, Smith said, would be made available as implementation proceeds.

The Bureau now has area offices in Aberdeen, South Dakota; Albuquerque, New Mexico; Anadarko and Muskogee, Oklahoma; Billings, Montana; Juneau, Alaska; Minneapolis, Minnesota; Window Rock and Phoenix, Arizona; Portland, Oregon; Sacramento, California and Washington, D. C.



BUREAU OF INDIAN AFFAIRS For Release February 26, 1982

Shaw 202/343-6031

INDIAN AFFAIRS NAMES TEN DIRECTORS FOR CONSULTATION

Interior Assistant Secretary Ken Smith today appointed six provisional regional directors to a 30-day detail as part of the proposed major realignment of the Bureau of Indian Affairs.

In addition, he named four provisional Assistant Directors of Education for the same period to fill the proposed slots planned under the realignment of the Bureau's education division.

Smith said the new directors will continue the consultation process with tribal leaders on proposed future plans for the Bureau

The six newly named provisional regional directors and the proposed regions in which they will consult with tribal leaders are:

<u>Sid Mills, Southwest Center, Albuquerque, New Mexico</u>: New Mexico, Colorado and eastern Utah.

Earl Barlow, Northeast Center, Minneapolis, Minnesota: Minnesota, Wisconsin, Michigan, Iowa, New York, and Maine.

Stanley Speaks, Southern Center, Oklahoma City, Oklahoma: Oklahoma, Kansas, Mississippi, Louisiana, North Carolina, and Florida.

Bill Babby, Western Center, Phoenix, Arizona: Arizona, southern Nevada, southern Utah, and southern and central California.

Vince Little, Northwest Center, Portland, Oregon: Washington, Oregon, Idaho, the northern parts of California and Nevada, western Montana, and the Metlakatla Reservation in southern Alaska.

Jerry Jaeger, North Central Center, Rapid City, South Dakota: Eastern Montana, Wyoming, North and South Dakota and Nebraska.

Mills, Barlow and Little are presently serving as Area Directors in the areas proposed as location of the new regional technical assistance service centers. Speaks is now Area Director in Anadarko, Oklahoma; Babby is presently Area Director in Sacramento; and Jaeger is Area Director in Aberdeen, South Dakota.

The four new provisional Assistant Directors of Education and the areas in which they will serve for a 30-day detail are:

Dr. Helen Miller, Northeast Center, Minneapolis: Same areas to be served by the BIA North Central and Northeast regional service centers.

Van Peters, Northwest Center, Portland: Includes the areas of the BIA Northwest regional service center, Alaska, and some tribes in Montana.

Harry Eagle Bull, Southeast Center, Oklahoma City: Serves the same area as the BIA Southern regional service center.

<u>Peter Soto</u>, <u>Southwest Center</u>, <u>Phoenix</u>: Will serve the entire southwest quadrant of the country, including the area of the Albuquerque BIA regional service center.

The new provisional Assistant Area Directors for Education are all serving as area education program administrators in their prospective new centers with the exception of Eagle Bull who is presently located in Aberdeen, S.D. Under the proposed new realignment for education, the 12 present areas would be reduced to four regions and the Assistant Directors for Education will have direct line authority over the education programs in their areas. The educational offices will co-exist with other BIA operations in the different locations.

Smith has asked his Deputy for Operations, John Fritz, to assume the responsibility to see that the consultation process is carried out in a proper and timely manner.

"I have instructed our six new provisional regional directors and our education assistant directors to carry out a true consultation process," Fritz said. "We want to determine if the service needs of our clientele -- the Indian people -- will be met by our new proposals. If we determine that our proposed realignment does not substantially meet the needs of our clientele then we will consider our plan amendable," he added.

The Deputy for Operations pointed out that the next 30 days will be a continuation of the consultation process began last week when he, Assistant Secretary Smith and Deputy for Policy, Roy Sampsel, met with representatives of Indian organizations, BIA central office employees and some 100 members of Congressional staffs. Direct contact with Members of Congress took place over a three day period beginning on February 12.

Fritz said the service needs of the Indian people were at the heart of this proposed reorganization. "That is why we are reducing our overhead and management costs by \$16 million while increasing by \$55 million the monies earmarked directly for programs that serve Indian people on the reservations," he added.

"I have also asked our provisional directors to begin the analysis having to do with staffing patterns, organizational structure, etc. for the proposed regions along with their consultation process," Fritz pointed out. He said this was important because this streamlined management concept is designed to the differing and specific needs of Indian country far into the future.

To insure the continuity of service during this consulation process, Fritz has named seven acting area directors in those present BIA area offices whose directors have been detailed to continue the consultation process. Those seven areas are: Aberdeen, Will Bowker, now serving as Assistant Area Director, Portland; Albuquerque, Barry Welch; Anadarko, Chuck Delaney; Minneapolis, Frank Annette; Phoenix, Rusty Farmer who is now Assistant Area Director in Aberdeen; Portland, Peter Three Stars, Superintendent at Western Washington Agency in Everett, Washington; and Sacramento, Eddie Edwards.

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BUREAU OF INDIAN AFFAIRS WASHINGTON, D.C. 20245

Bureau of Indian Affairs For Release February 25, 1982

Lovett 202/343-7445

NO SIGNIFICANT ENVIRONMENTAL ISSUES IN RESERVATION OIL PROJECT, BIA SAYS

A proposed project to develop oil and gas resources within the boundaries of the Big Cypress Indian Reservation in Florida would not create significant environmental issues or concerns, the Bureau of Indian Affairs (BIA) has concluded.

The BIA has prepared an environmental assessment on a proposal by Tesoro Oil Corporation and NRM Petroleum Corporation to engage in exploration, development and production activity for oil and gas on the reservation. The proposal calls for a seismic reconnaissance survey over 32,830 acres, drilling exploratory wells and the selection of approximately 50 wells for production. The project will require the construction of pipelines, tanks, manifolds and other accessory supply facilities prior to the commencement of actual production.

Short-term impacts on the environment would be typical of those encountered elsewhere in nearby locations in Florida, the BIA said. Potential impacts on land use, wildlife habitats and air/water qualities were judged to be insignificant.

Single copies of the environmental assessment may be obtained from the BIA Eastern Area Office, 1951 Constitution Avenue, N.W., Washington, D.C. 20245 or the BIA Seminole Agency, 6075 Stirling Road, Hollywood, Florida 33024.

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BUREAU OF INDIAN AFFAIRS WASHINGTON, D.C. 20245

BUREAU OF INDIAN AFFAIRS For Release March 5, 1982

Lovett 202/343-7445

INTERIOR OFFICIAL ANNOUNCES THAT INDIAN ART SCHOOL WILL CONTINUE

Interior Assistant Secretary Ken Smith announced today that the Bureau of Indian Affairs' Institute of American Indian Arts (IAIA) at Santa Fe, New Mexico would be funded and would continue operations for at least the next two years.

Smith told a gathering of Indian artists, in Washington for a special exhibition of Indian art at the Kennedy Center, that he had reaffirmed his "personal support for the Institute" which has suffered a serious decline in enrollment in recent years. Smith said he told the Institute President Jon Wade to build on the best traditions of the fine arts school, but also to take necessary steps toward sound and effective management.

The post secondary Institute, established in 1962 as a fine arts high school, is now seeking accreditation as a junior college.

Smith told the artists, some of them IAIA alumni, that the school has been a valuable cultural asset to the Indian community. He said the Bureau's education officials would be working with the school staff to complete studies needed for planning long-term future of the school.

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BUREAU OF INDIAN AFFAIRS WASHINGTON, D.C. 20245

Bureau of Indian Affairs For Release March 12, 1982

Lovett 202/343-7445

STEVENS NAMED BIA PHOENIX AREA DIRECTOR

James H. Stevens, a member of the San Carlos Band of Apaches, has been appointed director of the Bureau of Indian Affairs' Phoenix area office.

Interior Assistant Secretary Ken Smith said that Stevens' appointment would be effective April 4.

Stevens, superintendent of the Bureau's Spokane agency at Wellpinit,
Washington, has been detailed twice in the past year to serve in the central
office as the acting director of the Office of Trust Responsibilities. He is
currently functioning in that capacity now on a detail that began in January.

Assistant Secretary Smith praised Stevens for his "administrative abilities as well as his broad knowledge of Indian matters. Jim has done an outstanding job serving as the director of Trust Responsibilities. He will be a major asset to the Phoenix area."

Stevens moves into the federal government's Senior Executive Service in his new assignment.

He has been the agency superintendent at Spokane since 1972. Prior to that he had been assistant to the superintendent at the BIA's Nevada agency.

An engineering graduate of the University of Arizona school of mines, Stevens began his career with the Bureau as a supervisory roads engineer at the Fort Apache agency in 1963.

A native of Arizona, Stevens worked eight years with the California division of highways before coming to the BIA. He is married and has three children.

Stevens succeeds Bill Finale who retired February 19.



BUREAU OF INDIAN AFFAIRS WASHINGTON, D.C. 20245

Bureau of Indian Affairs For Release March 12, 1982

Lovett 202/343-7445

BIA OFFERS TO CONTINUE OPERATION OF 21 VILLAGE SCHOOLS IN ALASKA

Interior Assistant Secretary Ken Smith has offered to continue the Bureau of Indian Affairs' operation of 21 village day schools in Alaska in 1982-83.

In a March 10 letter to Alaska Governor Jay Hammond, Smith offered two options, both of which included BIA operation of Mt. Edgecumbe boarding high school for one more year.

Option 1 called for the 1982 transfer of 16 of the 37 village day schools now operated by the BIA and the remaining 21 at the end of 1982-83 school year.

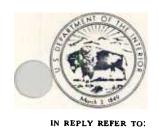
Option 2 would transfer all 37 village schools at the the end of this school year, together with approximately \$5.9 million that the Bureau would otherwise spend on the schools.

In 1963, the BIA and the state formalized an agreement for the transfer of BIA schools to state administration. There were at one time, as many as 120 BIA schools in Alaska. Transfers have occurred intermittently in the past 20 years. Smith is proposing that the transfer be completed no later than 1983.

BIA officials began negotiating last fall with state officials for the completion of the transfer. They also visited 36 of the 37 villages to discuss the proposed transfers with parents and village leaders. (One village was missed because of bad weather.)

Smith asked Governor Hammond to respond by March 30 if he wanted the BIA to continue operating the 21 village schools for one more year. He explained, "we must begin issuing employment contracts."

Concerning the costs of upgrading facilities involved in the transfers, Smith wrote: "we do not anticipate any funds to be made available to the State of Alaska for purposes of capital improvements. We do, however, intend to complete planned improvements to five schools in FY 1982 valued at \$2.1 million. Three of these five projects involve schools scheduled for transfer this year."



BUREAU OF INDIAN AFFAIRS WASHINGTON, D.C. 20245

BUREAU OF INDIAN AFFAIRS FOR RELEASE March 15, 1982

LOVETT 202/343-7445

BIA ANNOUNCES HEARINGS ON PROPOSED SCHOOL CLOSINGS

The Bureau of Indian Affairs has announced a series of hearings throughout Indian country on its proposed plans to close all but three of its off-reservation boarding schools. Notice of the hearings is being published in the Federal Register, Interior Assistant Secretary Ken Smith said today

Schools slated to be closed at the end of this school year are the Wahpeton Indian School in North Dakota; Concho Indian School in Oklahoma; and the Southwestern Indian Polytechnic Institute (SIPI) in New Mexico. The phase-out plans for the closure of the Intermountain School, Utah and Mt. Edgecumbe in Alaska at the end of the 1982-83 school year; Sequoyah Indian School, Oklahoma and Flandreau in South Dakota at the end of the 1983-84 year; and the Phoenix Indian School at the end of the 1984-85 school year.

The three schools to be continued would be Chemawa, Oregon, Sherman, California and Riverside, Oklahoma.

The first hearings would be March 30 at Anchorage, Alaska and Albuquerque, New Mexico. Others will be April 1 at Sitka, Alaska and Phoenix, Arizona; April 6 at Oklahoma City, Oklahoma; April 13 at Minneapolis, Minnesota and Portland, Oregon; and April 15 at Billings, Montana and Aberdeen, South Dakota.

The hearings will begin at 10 a.m. at each site. For the exact location or additional information please call the local BIA area office or Ms. Carmen Taylor at 202/343-4493.

Persons wishing to file written testimony should send it no later than April 16th to the Director of Indian Education Programs, BIA, 18th and C Sts., N.W., Washington, D. C. 20240



BUREAU OF INDIAN AFFAIRS WASHINGTON, D.C. 20245

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BUREAU OF INDIAN AFFAIRS For Release March 17, 1982

Lovett 202/343-7445

BUREAU OF INDIAN AFFAIRS ANNOUNCES CLOSING OF UTAH OFFICE

The Bureau of Indian Affairs has officially closed its Office of Technical

Assistance and Training (OTAT) at Brigham City, Utah, Interior Assistant

Secretary Ken Smith announced today.

Smith said the document abolishing OTAT, a unit in the BIA's central office structure, was signed March 16 and that approximately 72 employees would receive general reduction in force (RIF) notices at an employee meeting to be held today.

Smith said the closing of the office was mandated by Congress through the Interior appropriations bill which provided funding in fiscal year 1982 only for the continuation of two sub-units of the office and closing expenses.

The sub-units to be continued are the police academy at Brigham City and the Tribal Administrative and Accounting Services, which is located at Littleton, Colorado.

A total of 52 positions are being abolished. The 72 persons, including those on the police academy staff and a separate inspections and evaluation unit at Brigham City who will receive general RIF notices, will compete according to RIF procedures, for about 20 jobs to be continued at Brigham City.

Smith said "every effort will be made to place people who lose jobs in Brigham City in vacancies elsewhere in the Bureau." He said he had excercised waiver provisions in the Indian preference policy for the placement of the non-Indians who would lose jobs.

The Continental Divide Training Center, a sub-unit of OTAT located in western New Mexico, has been transferred to the BIA's Albuquerque area office. Other OTAT activities will be decentralized and continued through the program offices.

OTAT was established in June of 1979 with the consolidation of various training and technical assistance functions of the BIA at Brigham City.



EPLY REFER TO:

United States Department of the Interior



BUREAU OF INDIAN AFFAIRS WASHINGTON, D.C. 20245

BUREAU OF INDIAN AFFAIRS
For Release March 18, 1982

Lovett 202/343-7445

REPORT ON INDIAN RESERVATION POPULATION AVAILABLE

The Bureau of Indian Affairs has published an updated report on American Indian reservations populations. The booklet includes estimates on unemployment.

Dated December, 1981, the report shows a population of 734,895 living on or near Indian reservations, including former reservations in Oklahoma. It also includes 64,047 Eskimos, Aleuts and Indians in Alaska.

The reservation population, which constitutes the BIA's service population, is 52 percent of the 1.4 million total Indian population counted in the 1980 census.

Unemployment on the reservations is reported to be 31 percent of the labor force

The information in the report is presented by states, BIA area offices, agencies and individual reservations.

The data was compiled from information provided by BIA field offices.

The BIA's last report on reservation populations, in 1979, showed a total of 681,213 with a 27 percent unemployment rate

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OFFICE OF INSPECTOR GENERAL

Tom Wilson (202) 343-3171 Kathy O'Neil (202) 343-6459

For Release March 25, 1982

PINE RIDGE, SOUTH DAKOTA, INDIAN RESERVATION REVIEWED

Although millions of Federal dollars have been spent over the past 20 years on economic development on the Pine Ridge Indian Reservation in South Dakota, the reservation's economy is, at best, only marginally better according to a recently released review conducted by the Interior Department's Inspector General.

Federal funds were used to help develop an industrial park, a plastics factory, an electronics company, a sawmill and other enterprises. At the present time, only one business enterprise of significance is operating, Inspector General Richard Mulberry said, and it is in jeopardy.

The review covered contracts issued between 1977 and 1980 and included the now defunct Oglala Sioux Agriculture Enterprise, which received approximately \$2 million from various Federal agencies. The money is gone, Mulberry said, and the remaining equipment has been, or will be, sold to pay portions of defaulted loans. A former Pennsylvania plastic fishing bait company was purchased by the Tribe for \$305,000, although, Mulberry said, the Tribe was warned that the company was financially troubled. The review shows that this enterprise lasted about two years and then defaulted on a \$195,000 loan guaranteed by the Bureau of Indian Affairs.

Another review conducted by Interior's Inspector General at the Pine Ridge Reservation, on selected programs, contracts and grants of the Oglala Sioux Community College (OSCC), shows that OSCC purchased items of questionable necessity because it had too much money.

Some of the questioned expenditures, Mulberry said, included (1) \$48,500 spent for computer equipment, which after 14 months from date of purchase had yet to be used because appropriate software programs had not been developed; and (2) \$13,277 spent for a graduation ceremony honoring 17 students. This expenditure, the review shows, included \$4,140 for dance contest prizes, \$1,678 for food, and \$2,417 for gifts and awards to the graduates. In addition, Mulberry said, OSCC implemented a new salary scale in which annual salaries were increased 28 percent over the previous year.

With respect to economic development on the Pine Ridge Reservation, Mulberry said it has been recommended, in part, to the Oglala Sioux Tribal Council that it (1) avoid Tribal ownership, (2) not start something simply because Federal money is available, and (3) require better cost/benefit analysis. It was also recommended, he said, that the Tribal Council take a more assertive role in the financial affairs of the Oglala Sioux Community College, because the Council is the only entity which can balance reservation needs.



BUREAU OF INDIAN AFFAIRS WASHINGTON, D.C. 20245

BUREAU OF INDIAN AFFAIRS FOR RELEASE April 9, 1982

Lovett 202/343-7445

NO SIGNIFICANT ENVIRONMENTAL ISSUES IN MICCOSUKEE OIL/GAS PROPOSAL

A proposed project to develop oil and gas resources within the boundaries of the Miccosukee Indian Reservation in Florida would not create significant environmental issues or concerns, the Bureau of Indian Affairs (BIA) has concluded.

The BIA has prepared an environmental assessment on a proposal by Natural Resource Management Corporation, Tesoro Petroleum Corporation and American Quasar Petroleum Company to engage in explorations, development and production activity for oil and gas on the reservation.

The proposal calls for a reconnaissance survey over 76,800 acres of the reservation, drilling exploratory wells, the selection of wells for production and the construction of pipelines, tanks, and other facilities.

Potential environmental impacts of the proposal would be typical of those encountered elsewhere in nearby locations in Florida. Potential impacts on land use, wildlife habitats, and air/water qualities are judged to be either absent or insignificant and of short duration.

Single copies of the environmental assessment may be obtained from the BIA Eastern Area Office, 1951 Constitution Avenue, N. W., Washington, D. C. 20245.

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BUREAU OF INDIAN AFFAIRS WASHINGTON, D.C. 20245

BUREAU OF INDIAN AFFAIRS

FOR RELEASE April 13, 1982

LOVETT 202/343-7445

BIA WILL TRANSFER FIFTEEN SCHOOLS TO STATE SYSTEM

The Bureau of Indian Affairs will transfer fifteen Alaskan village day schools to the state school system at the end of this school year. Deputy Assistant Secretary John Fritz ordered the transfer completed by June 15

The move is part of a plan to transfer all BIA schools in Alaska to the state.

In 1982-83, the BIA will operate 22 village schools and one boarding high school in Alaska. At the end of that year the high school will be closed and the village schools transferred to the state

Fritz noted that the Bureau of Indian Affairs' schools for the Alaska
Natives were established to meet needs until the state was able to assume the
responsibility.

He added that the BIA and the state had formalized an agreement in 1963 for the transfer of Bureau schools to state administration. At one time there were as many as 120 BIA schools in Alaska. Transfers have occurred intermittently over the years.

Village councils for each of the fifteen schools to be transferred this year have passed resolutions of concurrence in the transfer plan.

Fritz said that all school property and equipment together with the buildings would be transferred to state ownership.



BUREAU OF INDIAN AFFAIRS WASHINGTON, D.C. 20245

BUREAU OF INDIAN AFFAIRS For Release <u>April 19</u>, 1982

Lovett 202/343-7445

PROPOSED REGULATIONS ON PRIBILOF ISLANDS MEMBERSHIP ROLL ARE BEING PUBLISHED

The Bureau of Indian Affairs has announced that it is publishing in the Federal Register, April 21, 1982, proposed regulations to govern the preparation of a membership roll of the Pribilof Islands Aleut Communities of St. Paul and St. George. The roll to be prepared will serve as a basis for a per capita distribution of judgment funds awarded to the communities by the U. S. Court of Claims.

Comments on the proposed regulations should be sent within 30 days after publication to the Division of Tribal Government Services, Bureau of Indian Affairs, 1951 Constitution Avenue, N. W., Washington, D. C. 20245

For additional information, contact Kathleen Slover at the above address, telephone 703/235-8275

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BUREAU OF INDIAN AFFAIRS WASHINGTON, D.C. 20245

BUREAU OF INDIAN AFFAIRS FOR RELEASE April 27, 1982

Oxendine 202/343-7445

BIA INVITED TO OBSERVE RED LAKE ELECTIONS

The Bureau of Indian Affairs has agreed to provide neutral observers for the May 26 election of officials of the Red Lake Band of Chippewa Indians of Minnesota.

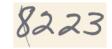
Roy Sampsel, Interior's Deputy Assistant Secretary for Indian Affairs, said the four Departmental and BIA observers are being provided at the request of Band officials. "We will make technical assistance available regarding the conduct of balloting to choose three officers and four district representatives to serve four-year terms on the Band's governing body," he added.

The request for the observers came during Sampsel's April 3 visit to the Red Lake Reservation. The first phase of technical assistance was provided on April 21 when two BIA representatives were sent to the reservation to become acquainted with election procedures and make suggestions for their improvement.

In an effort to help assure that all concerned parties are given fair treatment in the May 26 election, Departmental representatives will observe each step in the election. Sampsel said that if the observers are convinced that the election has been properly conducted, the Department will promptly recognize the results.

The four representatives will be named in early May.







BUREAU OF INDIAN AFFAIRS WASHINGTON, D.C. 20245

BUREAU OF INDIAN AFFAIRS FOR RELEASE May 5, 1982

WEST 202/343-7445

HEARINGS ON PROPOSED PAIUTE INDIAN RESERVATION PLAN ARE SCHEDULED

Public hearings to obtain comments on a proposed reservation plan for the Paiute Indian Tribe of Utah have been scheduled by the Bureau of Indian Affairs (BIA). This plan has been recommended to the Secretary of the Interior by the Paiute Tribe and the Bureau of Indian Affairs

On April 3, 1980, Congress enacted P. L. 96-227, the Paiute Indian Tribe of Utah Restoration Act, which restored the federal trust relationship to five Paiute bands in Utah and provided for the establishment of a reservation. The tribal plan calls for the selection of 15,000 acres from within the counties of Beaver, Iron, Washington, Millard and Sevier in southwestern Utah. The land is to be selected from available public, state and private lands. The hearings are being held in areas that may be affected by implementation of the reservation plan, as follows: Monday, May 17, 1982, 10 a.m. at Southern Utah State College, Recital Hall, Cedar City, Utah; 7 p.m. at Millard County Court House, F Imore, Utah; on Tuesday, May 18, 1982, 10 a.m. at Sevier County Court House, Auditorium, Richfield Utah; 7 p.m. at Emery County Court House, Castle Dale, Utah.

The hearings will provide an opportunity for persons within the affected area to respond to the plan. Public testimony will be included as part of the plan when it is presented to Congress by the Secretary of the Interior.



OFFICE OF INSPECTOR GENERAL

Tom Wilson (202) 343-3171 Betty Foyes (202) 343-6459

For Release May 7, 1982

CROW TRIBE FOUND INSOLVENT

The Crow Tribe of Montana, which received \$11.6 million in federal and state contracts and earned \$10.9 million from mineral and grazing leases and interest during fiscal years 1980 and 1981, was in a state of technical insolvency as of September 30, 1981, according to Department of the Interior Inspector General Richard Mulberry.

A review recently completed by the Office of Inspector General shows that the Tribe had current liabilities of over \$1.8 million, as well as long term debt of about \$6 million, and had no ready means for the liquidation of the current liabilities and long term debt servicing costs. This situation occurred, according to Mulberry, because the Tribe used whatever cash it had on hand to meet payrolls and other expenses regardless of the original purpose of the funds. For example:

The Tribe owed \$455,000 to the Internal Revenue Service, of which the majority represents funds withheld from salaries for income tax and social security.

The Tribe owed \$527,000 to various federal agencies for excess advances or letter of credit drawdowns under contracts that have been completed, cancelled or suspended.

To avoid such problems and provide the basis for sound financial and administrative management, the Tribe, the review shows, has spent about \$1 million of federal funds since 1976 for the design and implementation of a management information and accounting system.

(more)

The basic controls in the accounting system were not utilized, however, and at times were even ignored or circumvented, Mulberry said. Furthermore, he said, the system was not maintained in a timely and accurate manner. The net effect was that a \$1 million management information system was ignored or not maintained in a manner that enabled it to be relied upon for management controls and accurate and timely financial data.

The Tribe's management of the various federal programs has also been inept, Mulberry said. Several programs have been suspended or cancelled because of the program's condition and the lack of progress or failure to adhere to contract requirements.

While it is difficult to pinpoint the causes of the Tribe's problems, Mulberry said, they are due in part to the competence and experience of supervisory personnel and the degree of supervision and training provided by these supervisors. Further, the Tribe's unusual constitution and political processes are cumbersome and contribute to the problems uncovered on the Reservation.

Upon completion of the initial survey work, Mulberry said, the BIA was advised that because of the Tribe's adverse financial condition and programmatic and financial management problems, it would need some type of federal stewardship or control over finances and programs. BIA appointed a federal manager in November 1981. After determining the full extent of the problem, Mulberry further recommended that BIA arrange for the federal manager to control all Tribal and federal funds, develop a plan for the payment of liabilities, provide for the proper maintenance of the financial management system and establish methods to improve program accomplishment.

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BUREAU OF INDIAN AFFAIRS WASHINGTON, D.C. 20245

BUREAU OF INDIAN AFFAIRS FOR RELEASE May 18, 1982

Lovett 202/343-7445

BIA PROPOSES REVISED REGULATIONS FOR HOOPA RESERVATION FISHING

The Bureau of Indian Affairs is publishing in the Federal Register proposed revisions in the regulations governing fishing on the Hoopa Valley Indian Reservation in northern California

The most significant change is the ban on gill net fishing during the fall chinook run from 9 a.m. Monday to 5 p.m. Wednesday of each week and from 9 a.m. to 5 p.m. on Thursday and Friday.

In December 1981, Interior Deputy Assistant Secretary, Roy Sampsel, visited the reservation and adjoining areas to discuss with the Indian community the state of the fishery resource. One frequent comment made to Sampsel was that the Indians on the reservations were not asked to participate in the writing of the regulations or their subsequent changes. Subsequently, a pamphlet was developed by a committee of Indian fishermen and distributed to the Indian community containing recommended changes, a copy of the existing regulations, and a questionnaire soliciting Indian comments.

Responses to the questionnaire provided valuable information on public feeling. They indicated that a number of changes needed to be made in the regulations both to make them more effective in conserving the resource and to alleviate unnecessary burdens on the persons governed by the rules.

Comments on the proposed regulations should be sent within 30 days of publication to: Sacramento Area Office, Bureau of Indian Affairs, Federal Building, 2800 Cottage Way, Sacramento, California 95825. For further information, contact Wilson Barber, Superintendent, Northern California Agency, Bureau of Indian Affairs, P.O. Box 367, Hoopa, California 95546, 916/625-4285.

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BUREAU OF INDIAN AFFAIRS

For Release May 28, 1982

Lovett 202/343-7445

INTERIOR ANNOUNCES BIA REORGANIZATION

Assistant Secretary of the Interior for Indian Affairs Ken Smith today announced a reorganization of the BIA's administrative structure that will create a \$16 mi ion annua saving and "move the Indian agency a long way toward its goa of making as much of its budget as possible available for funding of programs at the reservation level."

The reorganization consolidates the BIA's 12 area offices into five regional service centers located at Albuquerque, New Mexico; Anadarko, Oklahoma; Aberdeen, South Dakota; Phoenix, Arizona; and Portland, Oregon

In addition, special program offices at Juneau, Alaska, and Window Rock Arizona, will serve the state of Alaska and the Navajo Reservation. These special offices will report directly to the BIA central office in Washington D.C., and not be under the jurisdiction of any regional center

There will be field offices, reporting to the Aberdeen Center, at Billings Montana, and Minneapolis, Minnesota

The plan also reduces BIA's 12 area education offices to five regional centers -- located at the regional service centers -- and two special program education offices, located with the special program offices.

Smith said the reorganization of the Bureau is designed to reduce the cost of administering the Bureau's field programs; to restructure the field offices to provide improved technical service capability; and to improve the efficiency of implementing Bureau programs and services.

(more)

The regional service centers and the areas they will serve are:

Southwest Center, Albuquerque, New Mexico: New Mexico, Colorado and western Utah.

Southern Center, Anadarko, Oklahoma: Oklahoma.

Western Center, Phoenix, Arizona: Arizona, Nevada, southern Utah, and southern and central California.

Northwest Center, Portland, Oregon: Washington, Oregon, Idaho, the northern parts of California, western Montana, and the Metlakatla Reservation in southern Alaska.

North Central Center, Aberdeen, South Dakota: Eastern Montana, Wyoming, North and South Dakota, Nebraska, Minnesota, Wisconsin, Michigan, Iowa and Kansas.

For programmatic purposes, those tribes formerly in the Eastern Area Office will be served from a technical assistance and service office in Washington, D.C., reporting to the Deputy Assistant Secretary for Operations. Eastern area office states include New York, Maine, Florida, Louisiana, North Carolina and Mississippi. For administrative purposes, such as computer services, the tribes in those states will be served by the Southern center.

Smith said the final number and selection of sites for the regional service centers came after he and his immediate staff and regional officials held extensive consultations with the tribes and after the work of task forces in each region had been studied and analyzed.

Smith said consultation with the approximately 500 tribal governments served by the Bureau was conducted by senior executive personnel appointed as provisional regional directors of the proposed offices.

"In addition, the Bureau received about 275 written comments during that period from tribes, inter-tribal councils, members of Congress and interested individuals," he added.

The major changes from the proposed plan revealed in February are:
(1) elimination of the proposed Northeast regional service center through consolidation of the area previously served by the Minneapolis area office with the North Central region, and the administrative consolidation of the area previously served by the Eastern area office with the Southern region;
(2) location of the North Central regional office in Aberdeen, rather than Rapid City; and (3) location of the Southern regional office in Anadarko, rather than Oklahoma City.

"There are a number of compelling reasons for the actions being taken to realign the Bureau's middle management structure," Smith said.

"Foremost is the impact of Public Law 93-638, the Indian Self-Determination Act, which has encouraged and strengthened tribal government participation in designing and contracting for the delivery of program services to the tribes," he said.

About 25 percent of the operation of Indian programs was performed under self-determination contracts by FY 1981. Smith said that percentage will continue to increase.

"The enactment of Public Law 95-561, the Indian Education Act, continued the emphasis on Indian involvement by creating school boards and implementing a system of employing teachers through contracts rather than as direct Bureau staff," he added.

In school year 1981-82, almost 2,000 out of a total of 7,400 Bureau educators were employed under this system.

"We expect the number of contract teachers to increase by as much as 1,000 in the 1982-83 school year," Smith said.

A third reason noted by Smith was Public Law 92-203, the Alaska Native Claims Settlement Act, which is limiting the Bureau's responsibility for Alaska programs.

"For example," Smith said, "Certain programs in Alaska such as general assistance and education have been or are projected to be delivered in the future by the State."

The Bureau also anticipates a continued increase in various BIA programs contracted to Native villages and organizations.

Smith said the total numbers of employees to be in each of the locations are still indeterminate. Final decisions will be made on the staffing patterns needed to fullfil the responsibilities the BIA has at each service center as implementation plans go forward. "But we are confident that the reduction in total Federal employees in the area and central offices will be 372 as we originally planned," he added.

"This is my response to the request that I have heard repeatedly from tribal leaders throughout my travels in Indian Country to reduce the overhead costs of operating the Bureau," Smith said. Estimates of the one time costs of carrying out the reorganization are in the neighborhood of \$7 million.

In the realignment of the Bureau's education offices, the regional education centers and the Navajo special program office will be headed by an assistant director for education with line authority and responsibility for education activities in the regions. Assistant director positions were formerly located in the central office.

"The plan complies with the mandates of Public Law 95-561 which stresses local community control of Indian schools under professional educators," Smith pointed out.

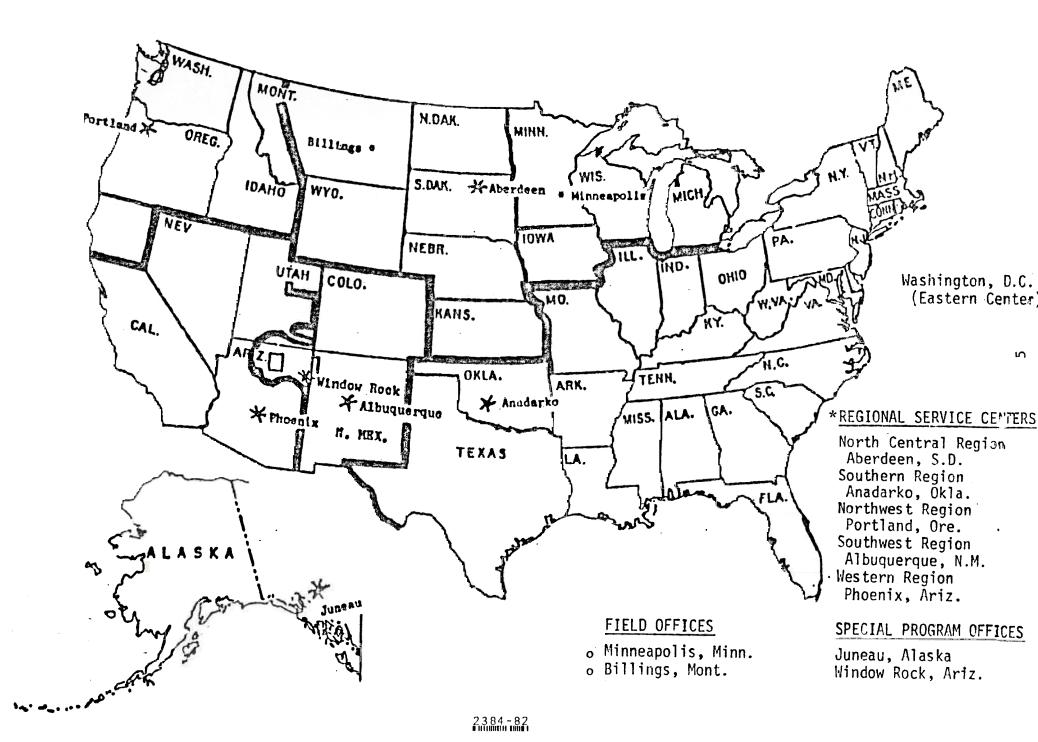
He said the Bureau is now preparing detailed organizational changes in accordance with Department procedures and anticipates transfer of authorities from the area office structure to the regional organization structure by October 1, 1982.

"Final close down of the existing area offices and disposition of files, records, associated office equipment, etc., is expected to be completed prior to October 1, 1983," Smith said.

The regional implementation is phased to overlap the phase out of current area structure so that day-to-day business continues effectively, and service to tribes is not impaired by the realignment process.

Smith said that budget reprogramming authority has been requested from appropriate committees in Congress in order to carry out the reorganization prior to the beginning of FY 1983.

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BUREAU OF INDIAN AFFAIRS WASHINGTON, D.C. 20245

Bureau of Indian Affairs For Release June 24, 1982

Lovett 202/343-7445

NO SIGNIFICANT IMPACT FROM COUSHATTA INDIAN OIL EXPLORATION PROJECT

The Bureau of Indian Affairs has issued a finding of no significant environmental impact from a proposed project to drill for oil or gas on land adjacent to the Coushatta Indian Reservation, in Louisiana.

The proposal calls for the drilling of a well on private land that is close enough to the Indian's trust land, that it would become part of the producing unit if oil or gas are located.

According to an environmental assessment completed by the Bureau, any potential impacts to use of the trust lands, wildlife habitats, and air/water qualities are judged to be either absent of insignificant.

The drilling, development and production activity will be done under a proposal made by L&T Exploration Inc.

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BUREAU OF INDIAN AFFAIRS WASHINGTON, D.C. 20245

Bureau of Indian Affairs For Release June 25, 1982

LOVETT 202/343-7445

NO ENVIRONMENTAL PROBLEM IN PROPROSED MAINE INDIAN TIMBER SALE

The Bureau of Indian Affairs has determined that a proposed wood supply agreement between the Penobscot Indian Tribe of Maine and the Lincoln Pulp and Paper Company, Inc., would have no significant impact on the environment.

An environmental assessment, prepared by the Bureau, indicates that some short-term environmental effects on land on wildlife resources would result from the timber harvesting, but would be typical of those encountered elsewhere in nearby locations in Maine where timber harvesting regularly occurs.

The proposed agreement gives the Lincoln company the right to buy, and the tribe to sell, up to 15,000 cords of hardwood annually for a 30-year term.

For further information, contact Thomas J. Bond, Bureau of Indian Affairs, Eastern Area Office, 1951 Constitution Avenue, N.W., Washington, D.C. 20245, (703) 235-2794.

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DEPARTMENT of the INTERIOR news release

INDIAN ARTS AND CRAFTS BOARD

Libhart (202) 343-2773

For Release Upon Receipt (prepared June 28, 1982)

SOURCE DIRECTORY ISSUED FOR AUTHENTIC NATIVE AMERICAN ARTS AND CRAFTS

The Interior Department's Indian Arts and Crafts Board announced today publication of a new 32-page Source Directory of interest to potential customers for authentic Native American arts and crafts.

The Directory lists 198 businesses which are owned and operated by Native Americans. Located in states from Alaska to Florida, the businesses offer hand-crafted products reflecting distinctive Indian and Eskimo creativity. Products listed include jewelry, moccasins, custom-designed dresses and other garments, as well as rugs, quilts, pottery, basketry, metalwork, paintings, carvings and figurines for home decor. Other products include drums, masks, feather head-dresses, dolls, and unique items decorated with porcupine quillwork.

Businesses appearing in the Directory are artist and craftsman cooperatives, tribal arts and crafts enterprises, as well as businesses and galleries privately owned and operated by Native American individuals, designer/craftsmen and artists. Also included are several non-profit organizations working directly with Native American groups to develop products and markets.

Entries in the Directory give names and addresses of the businesses, telephone numbers, business hours, outline major products handled by each business, and indicate if mail orders are accepted.

As most of the listed sources maintain retail shops, the Directory also will be of special interest to tourists and travelers throughout the United States. For the travelers convenience, businesses are listed alphabetically by state.

Single copies of the <u>Source Directory</u> are distributed free upon request to: Indian Arts and Crafts Board, U. S. Department of the Interior, Washington, D.C. 20240.





BUREAU OF INDIAN AFFAIRS WASHINGTON, D.C. 20245

BUREAU OF INDIAN AFFAIRS FOR RELEASE <u>July</u> 2, 1982

SHAW 202/343-6031

CROW TRIBE ENTERS AGREEMENT WITH BIA TO SOLVE FISCAL, ADMINISTRATIVE PROBLEMS

Interior Assistant Secretary Ken Smith today announced a major step toward solving administrative problems of the Crow Indian Tribe of Montana.

According to a report issued by the Interior Department's Inspector General, these problems had brought the tribe to a state of "technical insolvency."

"I believe the agreement being signed today will go a long way in restoring a strong, stable tribal government to the Crow Reservation from which effective administration of tribal business affairs will emanate," Smith said.

Following the inauguration of the tribe's newly elected officers, Smith's Deputy for Policy, Roy Sampsel, and the tribe signed an agreement to provide a trained, experienced person to serve on an intergovernmental assignment to the tribe as its manager for fiscal, personnel and property management systems.

The agreement also provides that:

- 1. There will be a comprehensive study by the tribe, with assistance from the Department, to identify strengths and weaknesses in the tribal government and to consider constitutional reforms. The tribe is now governed by a General Council made up of all adult members of the tribe, a process that is at times unwieldy and inefficient form of government.
- 2. The tribe will develop a plan for the retirement of its outstanding indebtedness not later than August 30, 1982. An Inspector General's audit report issued this spring indicated the tribe had current debts of more than \$1.8 million and long-term debt of about \$6 million.

3. The tribe will use a consolidated Letter-of-Credit administered through the Bureau of Indian Affairs as the principal financial management tool for channeling federal funding into its local operating accounts. The BIA with the support and assistance of the tribe will be responsible for seeking the cooperation and participation of all other Federal agencies.

Deputy Assistant Secretary Sampsel told tribal members, before the signing of the agreement, that the Federal government would not allow the tribe to destroy itself by mismanagement of financial and administrative affairs, but added, "I want to assure you that the Federal government will not, as has been rumored, 'take over' your government and your business affairs. We intend nothing that might in any way lend credibility to such ideas. Our purpose is and will remain firmly supportive of assisting your tribal government . . ."

In his talk, Sampsel asked the Crow tribal members to recognize that the tribe was at a critical crossroads in its history, that problems caused by disregard of the system of government and divisions within the Crow community had to be solved.

"Our purpose here today," Sampsel said, "is to start a process that will lead to correction of these problems, to bring the people together, and I call upon each and every one of you to join with us in the important work ahead." Sampsel noted that the Secretary of the Interior has an awesome responsibility in his role as trustee and protector of the interests of tribal governments and their members.

Sampsel said the Crows had the opportunity to provide leadership for other tribal groups. "It is not only the Crows who are threatened from within by the complexities of the contemporary, computerized, accountable fiscal world. What we shall do here today is what we in the Bureau of Indian Affairs will be working on with other tribes on other days providing they, like you, are willing to stand with us to fashion the opportunity for the welfare of their people, to survive, to grow and to prosper."

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BUREAU OF INDIAN AFFAIRS For Release July 5, 1982

Lovett 202/343-7445

FOUR BIA AREA DIRECTORS RECEIVE NEW ASSIGNMENTS

Interior Assistant Secretary Ken Smith announced today
new assignments for four Bureau of Indian Affairs area directors
all of them members of the Federal Government's senior executive
service.

The new appointments are as follows:

Sidney Mills, the Albuquerque area director, has been named director of the Bureau's Office of Trust Responsibilities in Washington, D. C.

Vincent Little, director of the Bureau's Portland, Oregon area office, replaces Mills in Albuquerque.

Stan Speaks, director of the Anadarko, Oklahoma area office, is the new director of the Portland office.

Maurice W. (Bill) Babby, director of the area office at Sacramento, California, goes to Anadarko as director of that office.

Sidney L. Mills, a member of the Oglala Sioux Tribe, was director of the Bureau's Albuquerque, New Mexico area office. He was appointed to that position in 1978, after serving for three years as the executive assistant to the Commissioner of Indian Affairs in Washington, D. C. A Navy veteran, Mills entered Federal service in 1973 in the Aberdeen area office where he served as the supply and contracting officer and as acting deputy director. He had previously been purchasing manager for the Great Western Sugar Company; merchandise control manager, Creative Merchandising, Inc.; and purchasing manager for Sundstrand Aviation, all in Denver, Colorado.

Vincent Little, a member of the Mohave Tribe, was director of the BIA's Portland area office, appointed to that position in March, 1977. He began work with BIA as a teacher at the Phoenix Indian School in 1957. He was an enrollment officer and tribal operations officer at the Western Washington Agency from 1963 to 1967. He then worked as assistant superintendent at the Hoopa agency in northern California. From 1970 to 1973 he was the education program administrator at Phoenix Indian School and then became the superintendent at the Northern Idaho agency. A U.S. Army veteran, Little graduated from the Arizona State University in 1957 and received a Master's degree there in 1961.

Stan Speaks, a member of the Chickasaw Nation of Oklahoma, was appointed area director at Anadarko, Oklahoma in 1975. He had previously been the acting superintendent of the Intermountain Indian School at Brigham City, Utah were he had also served for five years as the supervisory guidance counselor. He worked in Indian education programs with the Bureau of Indian Affairs from 1959 to 1975. He is a graduate of the Northeastern State College of Oklahoma, where he also earned a Master's in education.

Maurice W. Babby, Oglala Sioux, was named director of the Sacramento area office in August, 1981. He had been director of the BIA's office of administration in Washington, D. C. prior to going to Sacramento. Babby began his career in the Bureau at the Sacramento office. He was superintendent of the Fort Belknap agency in Montana 1967-70 and assistant area director at Billings. Montana 1970-79. A graduate of Sacramento State University, Babby earned a law degree from the LaSalle Extension University in 1969 and a Master's in Public Administration from the University of Oklahoma in 1977.

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BUREAU OF INDIAN AFFAIRS WASHINGTON, D.C. 20245

BUREAU OF INDIAN AFFAIRS For Release July 13, 1982

Lovett 202/343-7445

FISHING REGULATIONS FOR TREATY INDIANS IN FRASER RIVER FISHERY

The Bureau of Indian Affairs is publishing in the Federal Register

July 15, 1982, regulations governing treaty Indian fishing for sockeye and pink salmon in Fraser River waters coming under the Convention between the United States and Canada.

The regulations are designed to be consistent with the United States' obligations to Canada under the Fraser River Convention and with the obligation to the treaty tribes to provide the opportunity to catch one-half of the United States' share of the fish

To allow the affected tribes to exercise their treaty fishing rights in a timely manner, these regulations are being issued on an emergency basis and are, consequently, effective upon publication.

For additional information contact Robert Ringo, U.S. Fish and Wildlife Service, 2625 Parkmont Land, Building A, Olympia, Washington 98502, (206/753-9460).

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DEPARTMENT of the INTERIOR news release

OFFICE OF THE SECRETARY

For Release July 14, 1982

WATT SEEKS NEGOTIATED SETTLEMENT FOR INDIAN WATER CLAIMS SUITS; WILL CREATE NEGOTIATING TEAMS AND ADVISORY GROUPS TO GUIDE SETTLEMENT

Interior Secretary James Watt, responding to the President's instructions, today announced formation of a Policy Advisory Group and negotiating teams to spearhead his Department's effort to achieve negotiated settlements for the more than 50 outstanding lawsuits over Indian water claims.

"President Reagan has forcefully indicated his concern that these suits—which have stalled essential economic progress in both Indian and non-Indian areas—be settled quickly through negotiated settlements that are equitable to all parties," Watt said.

"To be successful, negotiations must include everyone concerned, including the Federal Government, and Federal representatives must throughly understand the issues and local concerns," he said.

The Interior Policy Advisory Group will be chaired by Interior Solicitor William H. Coldiron and include Assistant Secretary for Indian Affairs Kenneth L. Smith, Assistant Secretary for Land and Water Resources Garrey E. Carruthers and Assistant Secretary for Fish and Wildife and Parks G. Ray Arnett Also in the Group will be Fish and Wildlife Service Director Robert Jantzen, National Park Service Director Russell Dickenson and Bureau of Reclamation Commissioner Robert N. Broadbent.

The Group will advise him on policy issues involved in various negotiations, Watt said, and help in the selection of negotiating teams to work in the field.

It is expected that most teams will be headed by agency officials, including Department of Justice lawyers, who "will have complete access to the Interior Department's resources through Deputy Under Secretary William P. Horn, who I have asked to be the Chief Coordinator of Negotiations," Watt said.

(more)

The teams, which will include Interior officials from Washington, D.C., and field offices and other Federal agency officials as appropriate, will be designed to work on groups of claims and conduct day-to-day negotiations.

The teams will be assisted by local Advisory Boards appointed by the Secretary. "These Boards will include a full cross-section of affected local interests in Indian and non-Indian communities," Watt said. "They will provide the vital historic, social and environmental background essential to equitable and successful negotiation," Watt said.

Watt noted that legislation would be required in many instances to implement negotiated water suit settlements.

"Lawsuits consume time and resources that could be put to the more productive use of developing resources once the water is allocated," Watt said

"But all concerned must realize that the President and I will support only those negotiated settlements that were developed by all affected parties and represent a fair settlement of both financial and water disputes. The recent Papago case is demonstrative. Negotiations, which did not involve the Federal Government, yielded a settlement that required the United States to pay an unfair share of costs which were primarily the obligations of local water users. The President vetoed the legislative enactment of the Papago plan and will continue to object to similar unbalanced settlements," he said.

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BUREAU OF INDIAN AFFAIRS WASHINGTON, D.C. 20245

BUREAU OF INDIAN AFFAIRS
For Release July 20, 1982

Lovett 202/343-7445

BIA PUBLISHES REGULATIONS ON PRIBILOF ISLANDS MEMBERSHIP ROLL

The Bureau of Indian Affairs has announced that it is publishing in the Federal Register, July 21, 1982, regulations to govern the preparation of a membership roll of the Pribilof Islands Aleut Communities of St. Paul and St. George. The roll to be prepared will serve as a basis for a per capita distribution of judgment funds awarded to the communities by the U.S. Court of Claims.

For additional information, contact the Enrollment Coordinator, Enrollment Coordinating Office, Bureau of Indian Affairs, Pouch 7-1971, Anchorage, Alaska 99510, telephone 907/271-3761.

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BUREAU OF LAND MANAGEMENT

For Release July 21, 1982

Daugherty (202) 343-5717



PROPOSALS ADDRESS OVERSELECTED ALASKA LANDS

Alaskan land selections by Alaska Native corporations which exceed the acreage to which corporations are entitled may be reduced through procedures proposed in the <u>Federal Register</u> by the Department of the Interior.

Native corporations, entitled to a total of 44 million acres of land under the Alaska Native Claims Settlement Act of 1971, applied for more acreage than they are entitled to receive during the early 1970s when the Act required them to select lands for possible conveyance.

The Native corporations were allowed to make these overselections to ensure receipt of the full acreage allotted to them. Interior could not ensure conveyance of many of the lands since they were subject of various legal questions. Current regulations allow overselection, but do not specify a maximum amount allowable.

Proposed regulations would set a method for determining what overselection is and a system for reducing it. The regulations would also give the Secretary authority to reject overselections that exceed 125 percent of the acreage to which the corporation is entitled.

Preparation of the regulations was begun as a result of a stipulation agreement between Interior and the State of Alaska

Comments on the proposed regulations will be accepted until September 19, 1982 by the Director (140), Bureau of Land Management, Department of the Interior, Washington, D.C. 20240.

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BUREAU OF INDIAN AFFAIRS WASHINGTON, D.C. 20245

BUREAU OF INDIAN AFFAIRS For Release July 27, 1982

Lovett 202/343-7445

FISHING REGULATIONS FOR INDIANS OF HOOPA VALLEY RESERVATION PUBLISHED

Revised regulations governing Indian fishing on the Hoopa Valley
Indian Reservation are being published in the <u>Federal Register</u>, July 29,
1982, Interior Assistant Secretary Ken Smith said today.

The regulations, which become effective August 1, ban gillnet fishing during the fall chinook run from 9 a.m. Monday to 5 p.m. Wednesday of each week and from 9 a.m. to 5 p.m. on Thursdays and Fridays.

Proposed regulations were published for review and comment June 1. The <u>Federal Register</u> notice includes information on changes recommended and made and those that were not made.

Normally, tribal governments are responsible for regulation of Indian fishing on a reservation. Such tribal regulation has not been possible on the Hoopa Valley Indian Reservation because not all tribes on the reservation have functioning governments. Consequently, the Department of the Interior issues regulations to protect the fishery resources and to establish procedures for the exercise of the fishing rights of the Indians of the reservation.

For further information contact Wilson Barber, Superintendent, Northern California Agency, Bureau of Indian Affairs, P.O. Box 367, Hoopa, California 95546 (916/625-4285).

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MINERALS MANAGEMENT SERVICE

For Release August 6, 1982

Ed Essertier (202) 343-3504

MINERALS MANAGEMENT SERVICE EXTENDS DEADLINE FOR REPORTING PRODUCTION STARTUPS

The Minerals Management Service (MMS) has extended the deadline to five days for oil and gas operators to report the startup of production from new wells or wells recompleted in new intervals on Federal and Indian lands.

MMS Director Harold E. Doley, Jr., said the previous one-day deadline for reporting the startup of production to district supervisors was impractical.

"To avoid penalties, operators felt compelled to hand-deliver written notifications, sometimes at great expense," Doley said.

The Commission on Fiscal Accountability of the Nation's Energy Resources had recommended that operators immediately report the start of new production from every well -- not just a one-time notification when the first wel on a lease begins production -- as a way to tighten Federal royalty collections from onshore and offshore leases. The new requirement has been made a condition for district supervisors to grant applications for drilling permits and is effective immediately.

The Senate Energy and Natural Resources Committee has also recognized the validity of a five-day deadline in its consideration of the Federal Royalty Management Act of 1982 (S. 2305).

Doley said the new deadline "will accommodate the concerns of operators by setting a practical deadline, while still meeting the intent of the Commission's recommendation fo immediate reporting of production starts."



BUREAU OF INDIAN AFFAIRS
For Release <u>September 1, 1982</u>

Lovett 202/343-7445

DRAFT REGULATIONS ON PROPOSED INDIAN INITIATIVES DISTRIBUTED

The Bureau of Indian Affairs has distributed draft regulations to Indian tribal leaders for two proposed grant programs scheduled to begin in Fiscal Year 1983 (October 1, 1982 - September 30, 1983).

Interior Assistant Secretary Ken Smith asked for an early reaction to the proposed regulations because he intends "to implement these grant initiatives as soon as possible contingent upon appropriations from the Congress.

The two programs are designed (1) to provide seed money for tribal economic development projects and (2) to assist small tribes to establish or maintain a basic or core managerial staff. In the 1983 budget request, the Bureau asked for \$10 million for the economic development program and \$5 million for the small tribes program.

Smith noted, in his letter to tribal leaders, that the proposed regulations for the economic development grant program "are more tightly drawn and restrictive than similar Bureau or other Federal programs of the past. This is by design and is intended to take into account the limited success of many former efforts, the relatively small amount of funds expected to be available, and the strong desire for this to be a sound and successful approach to Indian economic development."

The regulations require that at least 75 percent of the total financing come from non-Federal sources. No grant is to be less than \$25,000 or more than \$500,000.

(more)

The purposes of the economic development grants are to:

-- Provide equity capital for the establishment or expansion of locally determined economic enterprises which generate income and employment opportunities for participating tribes;

Serve as an inducement when combined with a tribe's financial and other resources to attract private sector investment capital for the development of the tribe's resources, and;

-- Reduce tribal dependence on the Federal government over the long term through economic development projects which contribute to a stable private sector reservation economy.

Selection criteria include:

- -- The potential for profitability and long range benefits to the tribe;
- -- Anticipated return on investment;
- -- Degree of independence of economic enterprise management from the political structure of the applicant;

Managerial capability including fiscal accountability of proposed tribal enterprise;

Relative proportion of triba and private sector investment to requested grant funds, and;

Creation of the highest ratio of Indian jobs to the total amount of dollars to be invested, including market value of materials and equipment contributed to the project.

The purposes of the grants for the small tribes are to help them meet basic tribal management need; to enable them to overcome problems in the administration of tribal and Federal programs -- especially those related to fiscal accountability, and to contribute to the stability of tribal governments, reduce tribal dependency and promote the exercise of self-determination. The grants might be used to employ a tribal planner, an administrator, accountant, bookkeeper or other needed staff for which the tribe has no resources.

To be eligible for a grant as an individual tribe, the population of tribal members living on or near the reservation must be a least 400 and not more than 1,500. Tribes with less than 400 members living on the reservation could receive assistance as part of a multi-tribal organization or, under certain circumstances, as an individual tribe.

Assistant Secretary Smith asked that comments on the proposed regulations be submitted before Labor Day. He said that as soon as Congress acted on the 1983 appropriations request and funds were available, he would issue interim regulations so that the programs could be initiated without delay.



OFFICE OF THE SECRETARY

For Release December 8, 1982

SECRETARY WATT TO MEET WITH INDIAN LEADERS, GOVERNORS AND INDUSTRY SPOKESMEN TO CONTINUE PROCESS OF RESOLVING INDIAN WATER CLAIMS

Continuing a program he initiated in July to speed the settlement of Indian water claims through negotiation rather than litigation, Interior Secretary

James Watt will meet today with a delegation of Indian leaders, western industry spokesmen and Governors.

"This is part of our cooperative, Good Neighbor Policy of discussing and negotiating problems facing the Indian tribes, the State and the Federal Governments," Watt said.

"This meeting was requested by the Western Regional Council in an effort to help achieve the goals I announced five months ago when I established the machinery to negotiate Indian water rights claims as expeditiously as possible both for the benefit of the Indian and non-Indian communities," Watt said. "Although the program is only five months old it already has made substantial progress, negotiating a settlement to the Papago water claim in Arizona and identifying other claims where negotiations may be fruitful.

"The concept was endorsed in a letter to me signed by spokesmen for the Western Regional Council, the Western Governors' Policy Office, the Council of Energy Resources Tribes, the Native American Rights Fund, and the National Congress of American Indians. In that letter they asked for this opportunity to discuss additional steps they believe would speed the process we had already begun."

"There are more than 50 claims," Watt noted, "and each one is unique. We are approaching this on a case-by-case basis, and we are not forcing negotiation on any of the parties. We are giving the highest priority to providing the support of this Department where it is requested and where there is a fair chance that our efforts will help bring about settlement."

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(Attached is a background paper outlining the meeting and the July 14, 1982, press release which announced the program.)

WESTERN INDIAN WATER RIGHTS NEGOTIATIONS

I. BACKGROUND

On July 14, 1982, Secretary Watt established an Interior Policy Advisory Group and set up the machinery to help resolve outstanding Indian water claims through negotiation. The first major action under this process was the successful negotiation of an agreement to settle the Papago claims in Arizona. The Department is identifying other claims where this program could help speed settlement and is involved in other negotiations.

There presently are pending over 50 court cases involving Indian claims to Western water. Additionally, many tribes have formally asserted other water claims as a prelude to bringing suit, and other tribes have claims still in a nascent stage.

Many of the cases have been pending for over 10 years, and the oldest was filed in 1915. Thus, litigation clearly does not afford a prompt resolution of tribal claims to water.

REAGAN ADMINISTRATION POLICY

On June 1, 1982, President Reagan strongly endorsed negotiated settlement as "The most appropriate means of resolving Indian water rights disputes". The President set two basic rules for this process. First, the United States must be a major party in the negotiations if its interests will be affected and second, local water users and other defendants in pending litigation must make a fair contribution to any settlement.

INTERIOR PROGRAM TO IMPLEMENT THE POLICY

A. <u>Institutional Mechanism</u>

Earlier this year, Secretary Watt responded to the President's direction by creating the Interior Policy Advisory Group on Indian water claims. He designated Solicitor William H. Coldiron to chair the Group, which includes all assistant secretaries and bureau directors whose programs might be affected by Indian water rights litigation. 1/ Deputy Under Secretary William P. Horn was named co-ordinator of negotiations, and works with a team which includes Lawrence J. Jensen, Associate Solicitor for Indian Affairs and David G. Houston, Deputy Assistant Secretary for Land and Water Resources. Subsequent to the successful Papago negotiations, former Deputy Solicitor David E. Lindgren was brought back to the Department to act as deputy coordinator and special counsel for negotiations.

Assistant Secretary for Indian Affairs, Kenneth L. Smith;
Assistant Secretary for Land and Water Resources, Garrey E.
Carruthers; Assistant Secretary for Fish and Wildlife and
Parks, G. Ray Arnett; Bureau of Reclamation Commissioner, Robert
N. Broadbent; Fish and Wildlife Service Director, Robert Jansen;
and National Park Service Director, Russell Dickenson.

Department staff has begun a systematic review of all pending litigation and known claims which have not yet been filed in court to assess their susceptibility to a negotiated settlement. In this process, the Department has sought and will continue to seek the advice of the governor of each affected state, the chair of each affected tribe, and leaders of Indian and water user organizations.

B. Departmental Program for Negotiations

Each Indian water rights case is unique. Each case varies from the others as to the development potential of the reservation involved, the abundance or scarcity of water, the type and extent of non-Indian development which uses water, the equities attendant to the non-Indian development, and the willingness of the affected parties to enter negotiations.

The elements of the Department's settlement program take all these factors into account. First, future negotiations will occur only when the Tribe whose claim is involved and the affected non-Indians (State, municipalities, and private water users, as the case may be) evidence some interest in beginning the sett ement process. Second, because each negotiating situation is unique, the Department recognizes that the appropriate accommodation among the parties will be unique. Thus, an approach followed in one situation cannot serve as a precedent for the settlement of another. Third, in a given case, where the tribe and State or other non-Indian parties agree on a particular resolution to the dispute, the Department will acquiesce in that agreement (and not seek to impose on those parties its idea of a better settlement) if such restraint will not prejudice the legitimate interests of the United States or of the tribe. Fourth, the basic guidelines set by President Reagan will be followed: non-Indians whose water uses are protected by any settlement must make a substantial contribution to it, and the Federal government must be a major participant when Federal interests are affected.

In sum, the Department's program is a process which allows all the parties to a particular Indian water rights controversy, including the United States, to devise substantive terms for settlement which accommodate the unique facts of that case.

C. Specific Cases In Process

Since the Interior Policy Advisory Group was created five months ago, the Department has successfully concluded formal negotiations in one case and discussions are proceeding in four others.

- Papago Indian Reservation/City of Tucson (groundwater) Negotiations for agreement in principle successfully concluded, implementing legislation enacted, detailed follow-on contract being negotiated.
- 2. Fort Peck Indian Reservation/Montana Reserved Water Rights Compact Commission (Missouri River) Agreement in principle between tribal and State officials is close, draft compact being negotiated.

- 3. Mission Bands of Indians/City of Escondido and Vista Irrigation District, California (San Luis Rey River) Formal negotiations in process, economic analysis being prepared by Interior funded consultants.
- 4. Yakima Indian Nation/State of Washington (Yakima River) Preliminary informational meetings held with tribal counci members, State officials and representatives of local irrigation districts. The first phase of a Department and State sponsored study has been concluded, and the second phase has begun.
- 5. Pyramid Lake Paiute Tribe/Truckee-Carson Irrigation District (Pyramid Lake) Negotiations in process.

D. Specific Cases Under Consideration

Parties to the following disputes have indicated an interest in commencing negotiations:

Nisqually Tribe/Cities of Centralia and Tacoma, Washington.

2. Fort Berthold Tribe/State of North Dakota.

Scheduled Attendees at Indian Water Rights Meeting Department of the Interior December 8, 1982

James Watt, Secretary of the Interior

William H. Coldiron, Solicitor, DOI

Kenneth L. Smith, Assistant Secretary for Indian Affairs, DOI

William P. Horn, Deputy Under Secretary, DOI

David E. Lindgren, Deputy Coordinator and Special Counsel, DOI

Wilfred Scott, Chairman, CERT; Chairman, Nez Perce Tribe, Idaho

David Lester, Executive Director, CERT

Bob Martin, Policy Analyst, CERT

John Echohawk, Native American Rights Fund

Joe DeLaCruz, President, NCAI; Chairman, Quinalt Tribe, Washington

David Dunbar, General Counsel, NCAI

Robert J. Nordhaus, Nordhaus, Haltom & Taylor

Governor William Janklow, South Dakota

Governor Bruce Babbitt, Arizona

Jim Maddy, Executive Director, WESTPO

Ralph F. Cox, Chairman, Western Regional Council

Bruce M. Rockwell, Vice-Chairman, Western Regional Council

James M. Bush, Vice-Chairman, Indian Reserved Water Rights ad hoc Committee, Western Regional Council

Deedee Corradini, Consultant, Western Regional Council



(Editors: Please note date. This is provided for background.)

OFFICE OF THE SECRETARY

For Release July 14, 1982

WATT SEEKS NEGOTIATED SETTLEMENT FOR INDIAN WATER CLAIMS SUITS; WILL CREATE NEGOTIATING TEAMS AND ADVISORY GROUPS TO GUIDE SETTLEMENT

Interior Secretary James Watt, responding to the President's instructions, today announced formation of a Policy Advisory Group and negotiating teams to spearhead his Department's effort to achieve negotiated settlements for the more than 50 outstanding lawsuits over Indian water claims

"President Reagan has forcefully indicated his concern that these suitswhich have stalled essential economic progress in both Indian and non-Indian
areas-be settled quickly through negotiated settlements that are equitable to
all parties," Watt said

"To be successful, negotiations must include everyone concerned, including the Federal Government, and Federal representatives must throughly understand the issues and local concerns," he said.

The Interior Policy Advisory Group will be chaired by Interior Solicitor William H. Coldiron and include Assistant Secretary for Indian Affairs Kenneth L. Smith, Assistant Secretary for Land and Water Resources Garrey E. Carruthers and Assistant Secretary for Fish and Wildife and Parks G. Ray Arnett. Also in the Group will be Fish and Wildlife Service Director Robert Jantzen, National Park Service Director Russell Dickenson and Bureau of Reclamation Commissioner Robert N. Broadbent.

The Group will advise him on policy issues involved in various negotiations, Watt said, and help in the selection of negotiating teams to work in the field.

It is expected that most teams will be headed by agency officials, including Department of Justice lawyers, who "will have complete access to the Interior Department's resources through Deputy Under Secretary William P. Horn, who I have asked to be the Chief Coordinator of Negotiations," Watt said.

(more)

The teams, which will include Interior officials from Washington, D.C., and field offices and other Federal agency officials as appropriate, will be designed to work on groups of claims and conduct day-to-day negotiations.

The teams will be assisted by local Advisory Boards appointed by the Secretary. "These Boards will include a full cross-section of affected local interests in Indian and non-Indian communities," Watt said. "They will provide the vital historic, social and environmental background essential to equitable and successful negotiation," Watt said.

Watt noted that legislation would be required in many instances to implement negotiated water suit settlements.

"Lawsuits consume time and resources that could be put to the more productive use of developing resources once the water is allocated," Watt said.

"But all concerned must realize that the President and I will support only those negotiated settlements that were developed by all affected parties and represent a fair settlement of both financial and water disputes. The recent Papago case is demonstrative. Negotiations, which did not involve the Federal Government, yielded a settlement that required the United States to pay an unfair share of costs which were primarily the obligations of local water users. The President vetoed the legislative enactment of the Papago plan and will continue to object to similar unbalanced settlements," he said.

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BUREAU OF INDIAN AFFAIRS WASHINGTON, D.C. 20245

Bureau of Indian Affairs For Release December 8, 1982

Lovett 202/343-7445

NO SIGNIFICANT IMPACT FROM CHOCTAW INDIAN OIL EXPLORATION PROJECT

The Bureau of Indian Affairs has issued a finding of no significant environmental impact from a proposed project to drill for oil or gas on land adjacent to the Choctaw Indian Reservation, in Mississippi

The proposal calls for the drilling of a well on private land that is close enough to the Indian Trust Land, that it would become part of the producing unit if oil or gas are located.

According to an environmental assessment completed by the Bureau, any potential impacts to use of the trust lands, wildlife habitats, and air/water qualities are judged to be either absent or insignificant.

The drilling, development and production activity will be done under a proposal made by Victor P. Smith Associates.

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